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4 March 2026**

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Wednesday 4 March 2026

The following abbreviations are used to show a Member's party affiliation:

Abbreviation	Affiliation
Alliance	Alliance Party of Northern Ireland
Con	Conservative Party
DUP	Democratic Unionist Party
Green	Green Party of England and Wales
Ind	Independent*
Lab	Labour Party
Lab/Co-op	Labour and Co-operative Party
LD	Liberal Democrat
PC	Plaid Cymru
Reform	Reform UK
SDLP	Social Democratic and Labour Party
SNP	Scottish National Party
TUV	Traditional Unionist Voice
UUP	Ulster Unionist Party

*The term “Independent” may denote—

Members who have been elected as Independent candidates without affiliation to a political party; or

Members who have been elected after standing for a political party but no longer have the party Whip in the House of Commons.

House of Commons

Wednesday 4 March 2026

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Economic Growth

1. **Mr Calvin Bailey** (Leyton and Wanstead) (Lab): What recent discussions she has had with Cabinet colleagues on increasing economic growth in Wales. [908007]

2. **Peter Swallow** (Bracknell) (Lab): What recent discussions she has had with Cabinet colleagues on increasing economic growth in Wales. [908008]

8. **Tristan Osborne** (Chatham and Aylesford) (Lab): What recent discussions she has had with Cabinet colleagues on increasing economic growth in Wales. [908015]

11. **Katrina Murray** (Cumbernauld and Kirkintilloch) (Lab): What recent discussions she has had with Cabinet colleagues on increasing economic growth in Wales. [908018]

12. **Adam Jogee** (Newcastle-under-Lyme) (Lab): What recent discussions she has had with Cabinet colleagues on increasing economic growth in Wales. [908019]

The Secretary of State for Wales (Jo Stevens): I have regular discussions with Cabinet colleagues on a wide range of issues, including economic growth and increasing economic growth in Wales. We are creating thousands of jobs across Wales, supported by our investment in nuclear power in Wylfa, two artificial intelligence growth zones, two freeports, two investment zones, rail enhancements across the country and a defence growth deal, to name a few.

Mr Bailey: At the announcement of the £50 million Wales defence growth deal that the Secretary of State and the Defence Secretary made a few weeks ago, they visited Space Forge, which, at the request of my air cadets from 12F Walthamstow and Leighton Squadron, I am meeting at the Space Expo in east London tomorrow. Space Force is one of the small and medium-sized enterprises at the forefront of semiconductor and spacecraft technology development in a sector that is supporting economic growth and creating high-quality jobs here in the UK and in Wales. What steps are the Government taking to support space SMEs in accessing finance, and in continuing to grow here, where they can create jobs for my air cadets, rather than relocating to the United States, where space regulations can be more flexible?

Jo Stevens: Our £50 million defence growth deal will harness Wales's unique strengths in autonomy. It is focused on supporting the growth of dual-use industry right across Wales, so that the benefits will be felt beyond the defence sector. This deal is another example of the choice facing Wales at the Senedd election in May. We have Plaid Cymru, who would rather reject defence investment and pull us out of NATO at this critical moment of global instability, and we have Reform, whose foreign policy will probably be determined by its friend, President Putin. Only Labour can be trusted to invest in our national security and our economy.

Peter Swallow: One challenge faced by young people from Bracknell to Bangor is a lack of affordable housing, and not building enough homes affects our economy, too. I was pleased that the Secretary of State recently announced that our UK Government would be devolving powers to create a vacant land tax to the Welsh Government. Does she agree that this move will prevent land banking, and will lead to more houses being built in Wales, which would be good for the economy and good for our young people?

Jo Stevens: I was pleased to announce last month that this Government plan to devolve powers to the Welsh Government to introduce a vacant land tax, subject to consultation. This will help the Welsh Government to encourage even more house building, fuelling construction jobs and economic growth, and it is a perfect example of how this Labour Government approach enhancing devolution. We will never miss an opportunity to enhance devolution in ways that make a practical and positive difference to the people and economy of Wales.

Tristan Osborne: It is welcome that the Secretary of State opened the London stock exchange this morning, just after St David's day and at the opening of Wales Week. Is this not a vindication of the two Labour Governments in Wales and Westminster working in partnership? In my constituency of Chatham and Aylesford, and across the country, economic growth is absolutely critical. What steps is the Secretary of State taking to ensure that economic growth is spread across the country, for my constituents and for Wales?

Jo Stevens: I did indeed have the privilege of opening the London stock exchange this morning to mark St David's day and Wales Week. It gave me the opportunity to recognise Wales's thriving financial services and fintech sectors, which are benefiting from this Government's modern industrial strategy. We are also building small modular reactors in Wylfa, wind farms in the Celtic sea, new train stations in north and south Wales, and a stronger Welsh economy through our AI growth zones, investment zones and freeports—but most of all, we are building Wales's future by investing in our economy, creating jobs and tackling the cost of living.

Katrina Murray: This Government's decision to invest over £2 billion in creating Britain's first fleet of small modular reactors in Anglesey will create thousands of jobs, and bring significant economic benefits to the whole region. Does the Secretary of State agree that the Scottish Government should join the Welsh Government in welcoming the thousands of jobs and significant economic growth that nuclear developments can bring?

Jo Stevens: My hon. Friend makes an important point. When we made the £2.5 billion nuclear investment announcement at Coleg Menai, I saw the difference it will make to people in the area. I met students who will be able to learn and earn, and will not have to leave their family and community to get on in life, because, with one of the biggest public investments in Welsh history, we are creating 3,000 good, direct jobs, and many thousands more in the supply chain. It is for SNP Members to explain to their constituents exactly why the SNP stands in the way of game-changing investments like that for Scotland.

Adam Jogee: The best place in our kingdom, Newcastle-under-Lyme, is 30 miles or so from the Welsh border, so the recent rail announcement from this Labour Government will benefit my people, too, as the upgrade to the Marches line will deliver quicker services to south Wales. Can the Secretary of State reassure me that this investment will deliver real economic benefits for Staffordshire, England and Wales?

Jo Stevens: I thank my hon. Friend for recognising the scale of our Welsh rail announcement, and its benefits for cross-border travel. Our two Labour Governments have agreed a long-term plan for Welsh rail that we are committed to delivering as quickly as possible. It will unlock 12,000 jobs and connect people to the tens of thousands of jobs that we are creating across Wales. The pipeline of 43 projects, worth up to £14 billion, in north, south, mid and west Wales will deliver the rail network that Wales deserves, and right years of underfunding at the hands of the Conservatives. That shows the impact of two Labour Governments working together, and our sheer determination to deliver for the people of Wales.

Joe Robertson (Isle of Wight East) (Con): Drinks producers warn that, because of the UK Government's decision to allow Wales to include glass in a deposit return scheme, there is the threat of up to 90% of products being removed from shelves. Why have the Government taken the decision to allow a United Kingdom Internal Market Act 2020 exclusion that threatens jobs and consumer choice, and that will require unique Welsh labelling—all at a time when Wales already recycles 92% of glass at the kerbside?

Jo Stevens: We have worked closely with the devolved Governments on a UK-wide DRS, and now have alignment across the UK on including polyethylene terephthalate plastics and metals in a DRS with the launch date of October 2027, which is good news for business. We considered the Welsh Government's exclusion proposal, in line with our commitments under the 2025 review of the UK Internal Market Act, and in doing so engaged with businesses and environmental stakeholders across the UK. We believe that the Act exclusion that we have agreed, in response to the Welsh Government, is the most pragmatic way that we can protect trade and support growth in the UK.

Jim Shannon (Strangford) (DUP): I thank the Minister for her answer. She and I know that when it comes to economic growth in Wales, or indeed in Northern Ireland, Scotland or England, we are better together. We are also better together historically and culturally. My Gaelic

cousins on the Benches in front of me are my friends—I want them to stay in the United Kingdom. What can the Minister do to persuade people who are as yet undecided about what to do that it is better to be within the United Kingdom of Great Britain and Northern Ireland? We are always better together. [HON. MEMBERS: "More!"]

Jo Stevens: The hon. Member has united a lot of us across the House. His Plaid friends sitting in front of him want separatism. They want to inflict an independence that will cost every single person in Wales—adults and children—£7,000 every single year. They want to build walls between us at a time when we should be standing together.

Mr Speaker: I call the shadow Secretary of State.

Mims Davies (East Grinstead and Uckfield) (Con): Let us try this again: one of the UK's greatest strengths is the ability of all four nations to trade freely in a strong internal market. This Labour Government's choice to permit their colleagues in Cardiff Bay to include glass in their deposit return scheme risks sectors, livelihoods and market withdrawal. The UK Spirits Alliance and the wider food and drink sector warn that this will disrupt supply chains, deter future investment and hamper growth. Will the Secretary of State accept that the scheme is unworkable and unenforceable, and will she act to protect the United Kingdom from this separatism?

Jo Stevens: I do not recognise what the hon. Lady sets out, and refer her to my previous answer. We believe that the UKIM Act exclusion, which we have agreed in response to the Welsh Government, is the most pragmatic way for us to protect trade and support growth in the UK.

Mims Davies: Or the Government could just not do it, as we Conservatives say. Wales has the highest unemployment and economic inactivity rates in the UK. Following the spring forecast, the Office for Budget Responsibility confirmed that the Chancellor's welfare spending will increase by a staggering £18 billion to £333 billion this year alone, up 5.8%. In the light of those figures, what measure is the Secretary of State taking to jump-start confidence and boost economic growth in Wales, so that work pays, and people see that the Government are not just about welfare dependence and bankrupting the country?

Jo Stevens: The Conservatives strangled the Welsh economy with over a decade of austerity and neglect. Labour's economic plan is working: wages are rising, inflation is falling and the economy is growing. The Conservatives presided over stagnant wages, insecure employment and a broken welfare system. We are investing in our infrastructure, creating jobs, growing wages and building an economy that works for the people of Wales.

Mr Speaker: I call the Liberal Democrat spokesperson.

David Chadwick (Brecon, Radnor and Cwm Tawe) (LD): Tourism is one of our key economic sectors in mid Wales. Last year, I visited Fforest Fields in Radnorshire, a beautiful campsite and family business that has been built up over generations. However, Bute Energy plans

on building a wind farm on the other side of the hill from the site, with turbines that will be nearly as big as the Shard. Have the Government, or their colleagues in Cardiff, conducted any economic impact assessment on the damage that that will do to the economy in Powys?

Jo Stevens: I think we have this discussion at every single Wales oral questions. We need to bring energy bills down, and we do that by investing in renewable infrastructure. In the process, we create jobs and secure Wales and the UK's energy independence. Bearing in mind the situation across the world at the moment, that is absolutely the right plan.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): The spring forecast, which revised economic growth downwards, was produced before the outbreak of war in Iran. Now, the price of energy has spiked, with gas up almost 100%. If the war continues for even a few weeks, those costs will directly hit the pockets of people and businesses in Wales. Is the Secretary of State not astounded that Reform Members are cheerleaders for prolonging Trump's aggression in the Gulf, and does she agree that Wales cannot afford the cost of Reform?

Jo Stevens: Wales certainly cannot afford the cost of Reform; nor can it afford the cost of Plaid Cymru.

Liz Saville Roberts: I expected something a little more thoughtful from the Secretary of State, especially when we consider the Welsh economy. The Industrial Communities Alliance warns that the Government's 70:30 capital-to-revenue split for the local growth fund will have dire consequences. It will pull the rug out from under business support, training and employability services, and it will cost hundreds, if not thousands, of jobs across Wales, including at the fantastic Porthi Dre in Caernarfon, which tackles hunger, food waste and loneliness, but faces the loss of key staff members because of the Labour Government. Will the Secretary of State therefore commit to allowing greater spending flexibility, to safeguard the very jobs that we need to boost employment?

Jo Stevens: The UK Government are investing more than half a billion pounds in Wales, through the new local growth fund, to help create jobs, growth and opportunity in communities right across Wales. That targeted long-term investment will drive economic growth, create jobs and put more money in people's pockets. I am proud that we have delivered our manifesto commitment to restore the Welsh Government's decision-making role over those funds.

Family Farms

4. **Dr Ben Spencer** (Runnymede and Weybridge) (Con): What discussions she has had with Cabinet colleagues on supporting family farms in Wales. [908010]

The Parliamentary Under-Secretary of State for Wales (Anna McMorrin): Family farms play a crucial role in our economy, our landscape, and our language of Wales, and I have regular discussions with Ministers in Westminster and in the Welsh Government about how we can ensure ongoing support. I also regularly speak to farmers and farming unions, continuing to build a true partnership, and listen and respond to their needs.

Dr Spencer: International conflict and instability risk putting up food and fuel prices, and threaten our domestic food resilience. Instead of reviews and platitudes, we need action to protect our farmers and our UK food resilience. Will the Minister take action and scrap the damaging family farm tax?

Anna McMorrin: This Labour Government are committed to supporting farms right across the country. I was with the new president of NFU Cymru, Abi Reader, just a few weeks ago in Wenvoe, hearing how family farms, including hers, will be protected. We will not apologise for being a listening Government, or for striking a fair balance between supporting farms and businesses, and fixing the public finances, which the Conservative party wrecked when it was in government.

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

Ruth Jones (Newport West and Islwyn) (Lab): As you will be aware, Mr Speaker, the Welsh Affairs Committee recently published its report on farming in Wales. We welcome the Government's reforms to inheritance tax, but call for further work on the impacts of the change on Welsh family farms to protect our culture, language and amazing farm produce. Does the Minister agree that the Chancellor's changes to the threshold for agricultural property relief and business property relief show that this Labour Government are listening to Welsh farmers and our rural communities?

Anna McMorrin: My hon. Friend is absolutely right: we are a listening Government, and we have listened to farmers right across the country and made the necessary changes to protect them and fix our public finances, which were completely damaged and wrecked by the Conservative party. I commend her for her dedication and commitment to Wales as Chair of the Welsh Affairs Committee, and I look forward to continuing our work together.

Simon Hoare (North Dorset) (Con): Will the Minister, in listening mode, listen to Welsh sheep farmers who are desperately concerned about being able to access Australian and New Zealand sheep shearers this year, as this is now an animal welfare issue? What conversations has she had with her right hon. Friend the Home Secretary to ensure that those Commonwealth citizens can come in—they never overstay, and are here only for the shearing season—and ensure that sheep farming in Wales, and across the United Kingdom, can be supported and continue to flourish?

Anna McMorrin: The hon. Gentleman is making an important point. I am regularly out listening to farmers and speaking to farming unions, and I am proud that this Government are making the important trade deals that will make a big difference to farmers and businesses across our rural communities. That is possible only because this Labour Government have achieved economic stability, and have repaired our reputation on the world stage after, I am afraid, the Conservative party made a mess of it. I will continue to take his points back to colleagues across Government, and to have those negotiations and discussions with them.

Henry Tufnell (Mid and South Pembrokeshire) (Lab): How is the Minister working with the Welsh Labour Government in Cardiff on the upcoming sanitary and phytosanitary negotiations, to ensure that Pembrokeshire farmers in my constituency gain maximum benefit from our realignment with the European Union?

Anna McMorrin: My hon. Friend is a great advocate for farms in his constituency, and growing up in Pembrokeshire, I know that family farms are the backbone of our local community, as they are across Wales. That is why we are negotiating an agreement with the EU, our closest partner and biggest market. Working with the Welsh Government, we are ensuring that we are slashing red tape and cutting costs for businesses, and that remains a priority and central to this agreement.

Mr Speaker: I call the shadow Minister.

Harriet Cross (Gordon and Buchan) (Con): More than 38,000 people are employed on Welsh farms, the food and farming sector is worth £9 billion to the Welsh economy, and 90% of land is given over to farming, yet in 2025 alone, more than 400 farming businesses closed in Wales. Given the importance of farming to Wales, when did the Wales Office last make representations to the Cabinet about Welsh farmers, and what actions, not meetings, has the Minister personally taken to support farming in Wales?

Anna McMorrin: This Labour Government have presided over the largest devolution settlement since records began—a settlement that has been used to provide £337 million of support to farmers right across Wales. I wonder whether the hon. Lady remembers that not only did the Welsh Conservatives votes against that support, but they introduced a motion to scrap the Welsh Government's sustainable farming scheme. I thought that the Welsh Conservative slogan was "farming needs a friend", but that does not sound very friendly to me.

Child Poverty

5. Lorraine Beavers (Blackpool North and Fleetwood) (Lab): What steps she is taking with Cabinet colleagues to help tackle child poverty in Wales. [908011]

The Parliamentary Under-Secretary of State for Wales (Anna McMorrin): Too many children are held back by the scourge of poverty, wilfully created by the Conservative party. Our new child poverty strategy will lift more than half a million children out of poverty by 2030 across the UK, delivering the largest expected reduction since records began. Removing the two-child limit will benefit thousands of children in Wales.

Lorraine Beavers: Our UK Labour Government's decision to scrap the wicked Conservative two-child cap will benefit 1,700 children in my constituency, and 69,000 children in Wales. Does the Secretary of State agree with me that the Conservative and Reform desire to reintroduce the cap is unjustifiably cruel and will drag children back into poverty?

Anna McMorrin: I completely agree with my hon. Friend. It has and always will be children who pay the price for cruel policies, like those introduced under the Tories.

I am proud that, as a Labour Government rooted in the values of fairness, we have scrapped the two-child limit, benefiting 69,000 children in Wales, and giving children their future back and hope for a better life. It is a surprise to no one that the Conservatives and Reform would reintroduce the cap and yet again plunge more children into poverty at a single stroke. Remember, their decision was never about work or saving money—

Mr Speaker: Order. I call Alex Easton.

Alex Easton (North Down) (Ind): Does the Minister accept that if the Government were serious about reducing child poverty in Wales, and across the United Kingdom, including Northern Ireland, they would prioritise public spending on measures that directly reduce child poverty, in particular investment in social housing and childcare?

Anna McMorrin: This Government are completely serious about reducing child poverty. I am proud that we are a Government who are putting children first. Remember, the decision the Tories took was not about the policy; it was simply about politics. We are putting children first.

Cost of Living

6. Jen Craft (Thurrock) (Lab): What steps she is taking with Cabinet colleagues to help reduce the cost of living in Wales. [908012]

The Parliamentary Under-Secretary of State for Wales (Anna McMorrin): We know that the cost of living is the No. 1 issue for people across the country and that is why we remain wholly committed to tackling it. As a result of our actions, interest rates have already been cut six times since the election, energy bills will be cheaper this spring and families getting a new mortgage are almost £1,400 a year better off than they were under the Tories.

Jen Craft: Wages and inward investment are up, economic inactivity is down and interest rates have been cut six times. Labour's plan to lower the cost of living is clearly working, but we know that more must be done to put more money in people's pockets. Will the Secretary of State outline what steps she is taking to lower the cost of living?

Anna McMorrin: My hon. Friend is absolutely right. One of the most important things to this Labour Government is putting more money in the pockets of people across Wales and England. So far, we have increased the national minimum and living wages, giving a pay rise to 160,000 Welsh workers; we have announced the first ever permanent real-terms increase to universal credit, benefiting 320 households in Wales; and we have increased the state pension. A lot has been done and there is still a lot more to do—that is Labour delivering in government.

Carla Lockhart (Upper Bann) (DUP): Families and businesses are feeling hard-pressed more than ever, and events around the world are making food security more important than ever. Does the Minister recognise the seriousness of the Government's anti-farming agenda, particularly the family farm tax?

Anna McMorris: I listened to what the hon. Member said, but I do not recognise what she says. This Government are listening to farmers and acting to ensure that they feel better off, which includes streamlining and reducing the burden on businesses and cutting costs.

UK-EU Sanitary and Phytosanitary Agreement

7. **Ben Lake** (Ceredigion Preseli) (PC): What discussions she has had with Cabinet colleagues on the potential impact of a UK-EU Sanitary and Phytosanitary agreement on Welsh farmers. [908014]

The Parliamentary Under-Secretary of State for Wales (Anna McMorris): The Secretary of State and I are working closely with Cabinet Office colleagues to ensure that Welsh farmers benefit from reduced costs and bureaucracy when exporting their produce to the EU.

Ben Lake: Dr Amanda Gibson and her team of scientists at Aberystwyth University are leading research into how the BCG vaccine might be used to help control tuberculosis in cattle. I know the Minister will agree that this is essential work, but can she help ensure that their research is also considered as part of the UK's negotiations with the EU, so that we do not have to make a choice between animal health and exports?

Anna McMorris: I was at Aberystwyth University just a few weeks ago. Scientists there are doing some excellent work, and it is fantastic that they are leading the way on a vaccine for TB in cattle. I know how devastating the impact of TB can be on farms and cattle. We have begun negotiations with the EU on an SPS agreement. The hon. Gentleman would not expect me to comment on those negotiations, but I will raise his question and these issues with the relevant colleagues.

Mr Alex Barros-Curtis (Cardiff West) (Lab): Our recent trade deals with the EU, UK, India and South Korea will reduce bureaucracy while giving significant benefits to our constituents in accessing these markets. Can the Minister outline what other agreements we will benefit from in the near future?

Anna McMorris: Our trade strategy is prioritising deals that deliver real impact for businesses right across Wales and the rest of the country. That is possible only because this Labour Government have achieved economic stability and repaired our reputation on the world stage after the Tories made a complete mockery of it.

Mr Speaker: Order. Before I come to Prime Minister's questions, and in the light of recent exchanges in the Chamber, I remind Members of the need for good temper and moderation in the language they use. As the Speaker, I am not responsible for the specific questions asked by individual Members or the answers given by Ministers. I encourage all Members to engage in respectful debate, as our constituents would expect.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [908127] **Josh Fenton-Glynn** (Calder Valley) (Lab): If he will list his official engagements for Wednesday 4 March.

The Prime Minister (Keir Starmer): The situation in the middle east remains serious and volatile. This Government will be resolute in our focus, protecting British lives, bringing our people home and safeguarding our national interest.

Today my thoughts are with the family and friends of Sarah Everard on this very painful anniversary. Five years ago, I said that her death had to be a turning point, and this Government are committed to halving violence against women and girls. We are acting in our schools, our police forces, online and offline to keep women and girls safe and to prevent boys and men becoming abusers, and we are supporting victims to get justice and closure.

This morning, I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Josh Fenton-Glynn: I echo the Prime Minister's comments on Sarah Everard and the situation in the middle east.

From the sound mixing desks made by Calrec in Hebden Bridge which brought the world its winter Olympics coverage, to the valves made by Blackhall Engineering in Brighouse which bring water to New York city, Calder Valley's specialist manufacturing is recognised the world over, and it brings good jobs and sustainable work. However, with one third of engineers over 60, the last Government left our manufacturing workforce facing an existential crisis. Will the Prime Minister please work with me to ensure that the new growth and skills levy will support good-quality manufacturing jobs in Calder Valley and across the country?

The Prime Minister: My hon. Friend is right to champion brilliant manufacturers. Our modern industrial strategy is driving up standards, investment, jobs and growth, and our growth and skills levy ensures that we have the skills we need, supporting more short courses in critical sectors, including engineering. We are investing over £700 million to support thousands more young people into apprenticeships, in stark contrast to the 40% fall in apprenticeship starts under the Conservative party.

Mr Speaker: I call the Leader of the Opposition.

Mrs Kemi Badenoch (North West Essex) (Con): I pay tribute to our brave servicemen and women in the middle east during this very difficult period. Our bases in Cyprus and Bahrain have now been attacked. The US has taken offensive action to destroy missile launch sites to defend British territory. Why will the Prime Minister not allow the RAF to do the same?

The Prime Minister: This is obviously an extremely serious situation, and I know the whole country is worried about the potential for escalation. People are worried about the impact on their lives, particularly when they see what is happening with energy. The family and friends of those who are caught in the region will be worried sick about them, and of course we have civilians and military personnel at risk in the region. We need to act, therefore, with clarity, with purpose, and with a cool head. The protection of UK nationals is our No. 1 priority, and we are taking action to reduce the threat—planes in the sky in the region intercepting

incoming strikes, deploying more capability to Cyprus, and allowing US planes to use UK bases to take out Iran's capability to strike. What I was not prepared to do on Saturday was for the UK to join a war unless I was satisfied there was a lawful basis and a viable, thought-through plan. That remains my position.

Mrs Badenoch: That was not the question I asked the Prime Minister. Nobody wants to see an escalation. The fact is—*[Interruption.]* In case Labour MPs do not realise, the fact is that our bases have already been attacked. Iran is trying to kill our servicemen and women, and the Prime Minister is catching arrows rather than stopping the archer. That is what we are talking about. Why is he asking our allies to do what we should be doing ourselves? I say to Labour MPs that we are in this war whether they like it or not. What is the Prime Minister waiting for?

The Prime Minister: Let me give a little more detail. For a number of weeks now, we have been pre-deploying our capabilities to the region. In doing so, we have been liaising very closely with the United States, as the House would have expected. Therefore, radar systems were pre-deployed, ground-based air defence was pre-deployed, counter-drone systems were pre-deployed, and F-35 jets were pre-deployed. That is why since Saturday morning, multiple F-35s and Typhoons have been in operation, not just in the middle east but across Cyprus. Further missions were flown overnight, with Typhoons defending Qatar, in particular, and F-35s defending other regional parties. We are resupplying our air defence missiles today. Wildcat helicopters with anti-drone capabilities will be in Cyprus this week, HMS Dragon will be deployed to the Mediterranean, and of course, in agreement with the US, they are using our bases to conduct the operations to strike Iranian missiles and launchers. That is the action we are taking; that is the agreement we have reached with the United States to protect our nationals.

Mrs Badenoch: The Prime Minister has read out a long list—it is not enough. He says that we are pre-deploying; the one ship that we are sending, HMS Dragon, is still in Portsmouth. The fact is that the Type 45s cannot take out incoming missiles. This is not enough—he has read out a long list, but the people who understand know that it is not enough. He should be doing more.

Yesterday, the Chancellor could have given more money to defence. *[Interruption.]* I do not know why Labour MPs are laughing—I do not know why that is funny. It is not funny. Yesterday, the Chancellor could have given more money to defence; instead, she gave more money for welfare. Their priorities are all wrong—*[Interruption.]* They can chunter as much as they like. The fact of the matter is that the war in Iran is happening now—*[Interruption.]*

Mr Speaker: Order. Mr Bailey, I do not like that, and I do not think it becomes you. From an officer and a gentleman, I expect more.

Mrs Badenoch: The fact of the matter is that the war—*[Interruption.]*

Mr Speaker: Order. I can lipread as well. Please learn something: if not, you will learn the way out.

Mrs Badenoch: The country will not be distracted by Labour MPs moaning. The fact of the matter is that the war in Iran is happening now, but the Office for Budget Responsibility says that the Government will not hit 3% on defence for five years. The war is happening now. There is no urgency from the Prime Minister. Why is he leaving the job of funding our armed forces to the next Government?

The Prime Minister: I will not take lectures on defence from the Conservatives. They came into office and what did they do? They cut the defence budget—*[Interruption.]*

Mr Speaker: Order. Mr Philp, you have moved from there to here and you are even louder from here, so I would think twice if I were you.

The Prime Minister: Not only did they cut the defence budget, but they missed Army recruitment targets every year for 14 years. They left morale in our armed forces at an all-time low, and our forces “hollowed out”, in the words of Ben Wallace, the former Defence Secretary. Labour, by contrast, is delivering the biggest boost to defence spending since the cold war—£270 billion over this Parliament—and we are doing that because we are focused on what matters.

The right hon. Lady is right that the war is happening now, and we have to focus on that. Across the country, people are worried about those who are trapped in the region, and that is why we are taking action. I can update the House that yesterday more than 1,000 British nationals arrived back in the UK on commercial flights from the UAE. A further eight flights are due to leave the UAE for the UK today. I can confirm that the first charter flight is expected to leave Oman later today and two more will leave in the coming days—*[Interruption.]* The country really does want to know this. *[HON. MEMBERS: “Hear, hear.”]* Family and friends are worried sick about people who are caught up. *[Interruption.]* I will not be put off. I can announce that we will lay on additional charter flights in coming days. British Airways is laying on an extra flight from Oman, and the Foreign Secretary will have further discussions today. I urge all Members who have constituents who are caught in this to make sure that they register their presence so that we can do whatever we can to help them to get home safely.

Mrs Badenoch: I was not asking about evacuations; I was asking about defence spending. The Prime Minister needs to focus on the question he is being asked, not the statement that was prepared in the bunker. He stands there telling us that he is spending more money on defence—*[Interruption.]* No, he is not. In fact, the Government are cutting defence spending by £2.6 billion from the Ministry of Defence budget this year, and that is why there are no Royal Navy warships in the middle east—*[Interruption.]* He should ask his Defence Secretary for the numbers, because that is what is happening.

In June last year, the Government promised that their plan for funding our armed forces would be ready by autumn. In autumn, they promised it would be ready by the end of 2025. It is March 2026 and still nothing. Can the Prime Minister tell the House when his defence investment plan will finally be published?

The Prime Minister: I am sorry that the Leader of the Opposition is not interested in how people caught in the region will get home. For the vast majority of people watching this PMQs, that will be the single most important thing on their mind. The Conservatives cut defence spending: we are increasing it, and we are doing that because we have stabilised the economy. Yesterday, the Chancellor announced that inflation was down—interest rates, down; borrowing, down; debt, down; investment, living standards and growth, up.

I know that the Leader of the Opposition does not understand that. The shadow Chancellor clearly does not understand it, although I do have to thank him for—in what has been a very difficult week—providing some excellent unintended stand-up comedy in his response to the Chancellor yesterday.

Mrs Badenoch: The Prime Minister does not want to talk about the defence investment plan because he does not know. He does not know what is going on in respect of any policy, so he reads pre-prepared statements irrespective of the question, and the whole country can see it. The truth is that, because the Government spent money on welfare, there is no defence investment plan, and because there is no defence investment plan, they are not ordering enough missiles.

The fact is that this crisis goes beyond defence spending—[*Interruption.*] They can chant as much as they like. They are pathetic, spending money on welfare instead of defence. But they are not just pathetic; they are also weak. This crisis goes beyond defence spending; it is also about the cost of living. This war is interrupting the supply of oil and gas, which is dragging up the cost of petrol and making it more expensive to heat our homes, yet the Prime Minister is stopping drilling in the North sea while importing the same oil and gas from Norway. Does he think that, at a time of geopolitical crisis, it makes sense to kill our oil and gas industry and give up that ready supply of energy?

The Prime Minister: The question of energy supply right now is a serious one, and we are doing all we can, with allies, to make sure that it is preserved. It is vital that we keep trade flowing through the strait of Hormuz. The Energy Secretary met the International Energy Agency yesterday, and the Chancellor is meeting oil and gas companies today. We are keeping in close contact with our allies and key industry players. Again, I think the country wants to know what we are doing now in relation to what is happening in the coming days. Oil and gas will be part of our energy mix for many years to come, but if Ukraine and the last few days have taught us anything, it is that all the time we are on the international market, we are vulnerable to these changes. Renewable energy, where we have our independence and security, would take us off those markets and give us the security we need.

Mrs Badenoch: The Prime Minister, again, does not understand the energy transition. You do not need to stop drilling for oil and gas to get renewables. This is basic stuff. The Prime Minister does not understand his policy. He has a sea of orcs and goons who have no idea at all how anything is working. [*Interruption.*] They can complain all they like. The fact is that they are letting down the people—

Yasmin Qureshi (Bolton South and Walkden) (Lab): On a point of order, Mr Speaker.

Mr Speaker: Order. You cannot make a point of order in the middle of Prime Minister's questions.

The Prime Minister rose—

Mrs Badenoch: Mr Speaker, I have not asked my question.

The situation in Iran shows that this Prime Minister has the wrong priorities. When it comes to defence, it is someone else's job. When it comes to welfare, the Government find the money. When our bases are attacked, they call the lawyers. When our energy security is under threat, they stop drilling in the North sea. After last week's by-election, is it not the truth—[*Interruption.*] They are going to hear it, whether they like it or not. Is it not the truth that the Prime Minister is prioritising his job security over our national security?

The Prime Minister: I have spent the week protecting British lives and our national interest. Moments like this define a Leader of the Opposition. They can either step up, act in the national interest and show that they are fit to be Prime Minister, or they can expose their utter irrelevance. The Leader of the Opposition has chosen the second.

Q2. [908128] **Uma Kumaran** (Stratford and Bow) (Lab): May I thank the Prime Minister for his leadership and his cool head on the situation in Iran?

The leasehold system is legalised extortion. Last week I met dozens of my constituents who are leaseholders, and their tenants' and residents' associations. They are all telling me the same story: every single month they are paying hundreds of pounds while their service charges keep skyrocketing. They are trapped between bad managing agents and a system that is broken. Can the Prime Minister tell me what this Labour Government are doing to right this wrong once and for all?

The Prime Minister: I know that my hon. Friend has been fighting for her constituents and holding management companies to account. Our reform Bill will end the broken, outdated leasehold system and make the dream of home ownership real. We are capping ground rents, delivering transparency on service charges and scrapping the presumption that leaseholders pay landlords' legal costs. Our focus is on saving people money, giving them more control of their homes and creating a fairer housing system.

Mr Speaker: I call the leader of the Liberal Democrats.

Ed Davey (Kingston and Surbiton) (LD): May I associate myself with the Prime Minister's remarks on Sarah Everard and the need to do far more to tackle violence against women and girls? May I also associate myself with the Prime Minister's remarks on Iran? As we rightly debate how to make tax exiles pay their fair share, it is absolutely right that the Government do everything they can to get all British citizens to safety.

Experts are warning that families could see their energy bills rise by £500 a year as a result of Trump's illegal war, but millions of families and pensioners are

already struggling to keep their heads above water, thanks to years of a cost of living crisis. When Putin invaded Ukraine, the Prime Minister and I campaigned for months to get the Conservatives to act on energy bills. This time, will the Prime Minister save families that anxiety and give a cast-iron guarantee today that he will not let energy bills rise by £500 this year?

The Prime Minister: I thank the right hon. Gentleman for raising this, because I know it will be a concern to the public, who are watching what is going on and are very concerned about the impact it will have on their lives. It is important that I emphasise the actions we have been taking urgently this week with our allies and energy agencies across the world, and the work we are doing to ensure the safe passage of energy across the world. We will continue to do that. I was glad that we were able to bring energy bills down by £150, as announced just the other day. We will keep a very close eye on this. I know how important it is for the British public.

Ed Davey: I thank the Prime Minister for his reply, but I hope he will act if energy bills do go up by £500.

Donald Trump's war on Iran has not only brought more chaos across the middle east, but increased the threat to our national security here at home. The Iranian Revolutionary Guards Corps has previously plotted several failed terrorist attacks in the UK, targeting Iranian journalists, British Jews and Members of this House. It is now more desperate and dangerous than ever. We have called for the IRGC to be proscribed as terrorists for years. The last Government failed to do it, and so have this one. Will the Prime Minister table emergency legislation to better protect our country from Iranian terrorists, and will he do it this week?

The Prime Minister: Again, I thank the right hon. Gentleman for raising this. It is very important that I say that, as he and the House would expect, we are working 24/7 on dealing with any threats to this country. I spoke on Monday about the 20 Iran-backed threats that we had successfully dealt with. We continue to do so, and we are working on it 24/7—it is important that I say that. In relation to the IRGC, obviously we have put in place a number of sanctions already. We do not comment on proscription, but we have made the case that there needs to be legislation to deal with state-backed terrorist groups, and we are looking into that.

Q4. [908130] Sam Rushworth (Bishop Auckland) (Lab): The surge in the global cost of oil and gas has the risk of pushing up food and energy prices, which is a real concern for my constituents in Bishop Auckland, just as we are turning a corner on the cost of living crisis. Does this not show the importance of ignoring the opposition parties, and of investing in secure renewable energy that we control and backing our farmers to produce the food for our nation, such as those I am hosting here today from County Durham? Will the Prime Minister ensure that both energy and food security are a core mission of this Labour Government?

The Prime Minister: Energy security is critical to food security, and the sprint to clean energy is the only way to get off the volatile international fossil fuel markets, cut bills and deliver energy security. Since we came into office, over £90 billion of investment into clean energy

industry has come in, powering millions of homes. The Tories and Reform would throw all that away and cling to the failed policy that put everyone's bills up throughout their reign.

Gavin Robinson (Belfast East) (DUP): I associate myself and my colleagues with the Prime Minister's remarks about Sarah Everard and about Iran.

My colleagues and I support our armed forces, but we lament how diminished the UK has appears over the past week among our allies and within the middle east. The Prime Minister is not responsible for our armed forces being able to squeeze into Wembley Park and Ibrox, but he is responsible for our posture. He is responsible for ignoring the request to deploy a Type 45 destroyer to the region two weeks ago, and we now learn that HMS Dragon will not leave, has not left and will not be in place to defend Cyprus for over a week.

Will the Prime Minister understand that I welcome the commitment for increased defence spending, but if we are planning only to get to 2.5% by 2027, it is not enough? It needs to be reconsidered. He needs to go faster where others before him did not, and he needs to take these steps not just for the protection of our values across the world, but for the protection of our consumers who are impacted by this conflict today.

The Prime Minister: The right hon. Member will have heard me set out what we did by way of pre-deployment, working in conjunction with and liaising with the US. So he understands the context in which those pre-deployments were put in place, and I think they speak for themselves as to why they were put in those places.

In relation to defence spend, obviously we are increasing it to 2.6% of GDP—that is £270 billion over the Parliament—but as I said in the speech I gave in Munich just a couple of weeks ago, we are going to have to spend more and faster after the years of under-investment and troop cuts that—[*Interruption.*] The Conservatives were the ones who hollowed this out. They were the ones who reduced the size of the Army. They were the ones who did not spend what was necessary on defence. Like everything else they left in such a mess, we are clearing it up, and through our strategic defence review we will make Britain safer.

Q6. [908132] Jonathan Davies (Mid Derbyshire) (Lab): Like the Prime Minister, I had the transformative benefit of a music education as a young person, although he had his some while before I had mine. [HON. MEMBERS: "Ooh!"] After more than a decade of decline in music in schools, the Government's new national centre for arts and music education and measures coming through the curriculum review will ensure that more young people benefit from the opportunities that my right hon. and learned Friend and I both had. Can he tell us how the new national centre will make a difference for our young people, and what are the Government doing to address the funding shortfalls currently facing England's music education hubs, including mine in Derbyshire?

Mr Speaker: He obviously loves the Back Benches, Prime Minister.

The Prime Minister: My life was changed by the opportunity to study music—yes, very many years ago. I believe that every child deserves that opportunity.

The Conservatives cut those opportunities—that particularly excluded poorer children—and now they call creative arts courses a “dead end”. I totally disagree; they are the lifeblood of the creative industries that showcase Britain around the world. The new national centre will launch this year, and Labour is investing in music hubs so that every child has the same opportunities to enjoy music, to learn music and to learn the skills that music brings them for life.

Q3. [908129] Mr Gagan Mohindra (South West Hertfordshire) (Con): In my constituency, the Liberal Democrat-run Three Rivers district council has failed for years to submit an adequate local plan. It now has a ministerial direction, and prime green-belt land faces a serious threat from this Government’s harmful planning policies. How does the Prime Minister expect me to explain to my constituents that, while I consistently defend our green belt, the Liberal Democrats’ incompetence has made it vulnerable to destruction by this Labour Government?

The Prime Minister: This Labour Government are changing the planning regulations so that we can get on and build the homes we need across our country. The Conservatives’ failure was the failure to do so. But I must applaud the hon. Gentleman, because at least he has had the decency to accept some of the failures of the last Government. On special educational needs and disabilities, he said:

“my Government didn’t do enough on this.”

and, “it’s awful.”

He said his party

“should hang our heads in shame”.

He is absolutely right about that.

Q7. [908133] Dr Rosena Allin-Khan (Tooting) (Lab): The suitability and financing of temporary accommodation needs addressing urgently. Children arriving on my shifts in A&E with breathing problems due to mouldy rooms in their temporary accommodation has become a grim reality. Since 2019, 74 homeless children have died due to the conditions of their temporary accommodation. Meanwhile, councils face a huge funding black hole of £4 billion if the Government subsidy remains frozen. Every death is a tragedy, so does the Prime Minister agree that an urgent review is necessary to investigate the financial shortfall and to help guarantee safe homes for every child in the country who is in temporary accommodation?

The Prime Minister: I thank my hon. Friend for her question. We inherited an appalling situation, with a record number of households in temporary accommodation. Every child deserves a safe and secure home. We are investing £950 million in the local authority housing fund to increase the supply of quality accommodation. We are banning section 21 no-fault evictions, introducing a new stronger decent homes standard and investing £39 billion to deliver the homes that families need.

Q5. [908131] Mr Will Forster (Woking) (LD): Last month I visited my old school, Woking high school. I saw classrooms built in the 1960s that were meant to last 20 years, but are still in use and are being held together by gaffer tape. I visited my old music classroom

and I nearly fell through the floor: I saw a hole in the roof, and I can still remember the stench of mould; that classroom was condemned last year. Will the Prime Minister please agree to come to Woking high school with me to see how bad it really is and to ensure that my old school gets the urgent financial support it needs so that, in the 21st century, my constituents can be educated in a school they deserve?

The Prime Minister: I thank the hon. Gentleman for raising this case, which will be a real concern for his constituents. I am sure the Conservatives will have heard the reality of what they did over 14 years, destroying everything in this country. We are fixing that and I will ensure that he gets a meeting with the relevant Minister to discuss this further.

Q8. [908134] Elaine Stewart (Ayr, Carrick and Cumnock) (Lab): After decades of failing policies under both Conservative and SNP Governments, I welcome this Labour Government’s major drive to get young people earning and learning. In my constituency, by working with Ayrshire college and the Pride in Place board, we finally have a chance to break that cycle and bring real youth-focused regeneration to our high streets through the Department for Work and Pensions youth initiative. Will the Prime Minister meet me to discuss this important issue, and will he support making Ayrshire a priority for a DWP youth hub?

The Prime Minister: The Conservative party left one in eight young people not earning or learning. We are not doing so, and we will tackle it: more apprenticeships, more careers support, a jobs guarantee to provide paid employment, a youth guarantee to get more young people into earning or learning, and over 360 youth hubs to help young people access opportunities. My hon. Friend makes a strong case, which I know my right hon. Friend the Work and Pensions Secretary has heard. I hope there will be good news for her later this year.

Q9. [908135] Gareth Bacon (Orpington) (Con): The United States of America is our most important international strategic ally. Does the Prime Minister believe that his dithering and equivocal response to events in the middle east this week has made that relationship stronger or weaker?

The Prime Minister: American planes are operating out of British bases—that is the special relationship in action. British jets are shooting down drones and missiles to protect American lives in the middle east on our joint bases—that is the special relationship in action. Sharing intelligence every day to keep our people safe—that is the special relationship in action. Hanging on to President Trump’s latest words is not the special relationship in action.

Q10. [908136] Tonia Antoniazzi (Gower) (Lab): In 2018, this House legislated to allow the prescription of medicinal cannabis for children with drug-resistant epilepsy after a campaign spearheaded by my late good friend Hannah Deacon for her son, Alfie, yet many families are still paying around £1,300 a month due to conflicting guidance from multiple agencies. Does the Prime Minister recognise that this is not the will of the House, and will he agree to work with me and the Secretary of State for Health to secure the modest £2 million required for an observational study to relieve these families of this unacceptable burden?

The Prime Minister: Hannah Deacon's campaign for her son, Alfie, was remarkable, and I know how much she is missed. I thank my hon. Friend for continuing to campaign on this matter. We are investing £8 million in clinical trials on cannabis-based medicines for conditions such as drug-resistant epilepsy. I want to see patients accessing safe, effective medicines and new treatments as quickly as possible.

Q11. [908137] **Katie Lam** (Weald of Kent) (Con): The Government's proposed terms of reference for the inquiry into rape and grooming gangs are fatally flawed, as victims and survivors have pointed out. They will not address the role that race and religion played in motivating these crimes or lead to prosecutions for those involved in the cover-up. They will not even investigate all cases—only a select few. The consultation on these terms ends this Friday. Will the Prime Minister assure us that if enough people call for change, including through groominggangjustice.uk, the final terms of reference will reflect those concerns?

The Prime Minister: Baroness Longfield is now beginning the work of the inquiry, with victims and survivors at the heart of the process. Under this Government, convictions are at their highest level ever, and we are introducing mandatory reporting on child sexual abuse and putting a legal duty on police to collect ethnicity data. But forgive me if I do not take suggestions from the hon. Lady, who said that people legally settled here should “go home” to ensure that the UK is “culturally coherent”. That is a grotesque way to talk about our friends and neighbours. I rather suspect that when she next asks a question, she will be sitting on the Benches up there.

Q12. [908138] **Kirsteen Sullivan** (Bathgate and Linlithgow) (Lab/Co-op): Nine years and four months ago, Britain was basking in its success after the Rio Olympics, but each day, month and year since, women have lived with the chronic pain of undiagnosed endometriosis. According to Endometriosis UK's new report, the UK's average wait time for diagnosis has worsened since 2020, with women in Scotland waiting even longer, facing an average wait time of 10 years and two months. At the start of Endometriosis Action Month, will the Prime Minister commit to reducing diagnosis wait times and ending the lost decade for women living with endometriosis?

The Prime Minister: I thank my hon. Friend for her question. We hosted the International Women's Day event on Monday, where I spoke to so many women who are concerned about this issue. It is totally unacceptable that women have waited sometimes up to a decade for an endometriosis diagnosis. We are renewing the women's health strategy, improving training for doctors and cutting wait times for gynaecology services, which will be prioritised through NHS Online. We are also investing in research on how to improve diagnosis and treatment.

Q13. [908139] **Pete Wishart** (Perth and Kinross-shire) (SNP): After his inept and failed coup against the Prime Minister, Anas Sarwar last week announced Scottish Labour's new campaign slogan—not “Into the abyss”, but, rather, the inspiring “Hold your nose and vote Labour”. But with the stench of the Mandelson scandal still in their nostrils and the stink still emanating from the Labour Together affair, as well as the general whiff

of rot hanging over this doomed Prime Minister after his hammering in Gorton and Denton, is it not the case for Scottish voters that some smells are simply too unpleasant to ignore?

The Prime Minister: Anas Sarwar has been asking the hon. Gentleman's party to be honest about the political pressure it applied at the Queen Elizabeth university hospital and to take the action needed to reassure patients and families. That scandal shows how much Scotland deserves change with Anas Sarwar.

Q14. [908140] **Matt Turmaine** (Watford) (Lab): Last week, in my constituency of Watford, several amazing charities held their annual sleep-out to raise awareness of homelessness. People sign up to sleep outside at Watford football ground. More than 120 people raised over £15,000 of vital funding and more than 200 attended including the volunteers. Watford FC Community Sports & Education Trust, New Hope, Herts Young Homeless Group, One YMCA, DENS and Hand on Heart did a fantastic job. Britain's Got Talent semi-finalist Electric Umbrella was on hand to give a performance to participants. Will my right hon. Friend congratulate them on their efforts and outline what the Government are doing to end the scourge of homelessness?

The Prime Minister: I thank my hon. Friend for raising that matter. Everyone deserves a safe place to call home. Let me pay tribute to all the organisations that are working to tackle the problem. We are investing a record £3.6 billion into our national plan to end homelessness. That includes boosting the supply of temporary accommodation, record funding for tackling rough sleeping, and ending the inappropriate use of bed-and-breakfasts for families and no-fault evictions, which we know drive people to homelessness.

Mr Speaker: For the final question, I call Zöe Franklin.

Zöe Franklin (Guildford) (LD): My constituent, Hannah, tragically ended her life using a substance purchased from overseas. Following her death, the coroner issued a prevention of future deaths report containing specific recommendations. Since 2019, the Molly Rose Foundation has identified at least 65 similar cases in which coroners have made recommendations to separate Government Departments. Progress on these issues has been slow and vulnerable people continue to be left at risk as a result. Will the Prime Minister set out what steps the Government will take to ensure systematic oversight of coroners' reports and their findings? Will he support proposals for an independent, national oversight mechanism to track trends of preventable deaths and ensure that lessons are learned so that future lives can be saved?

The Prime Minister: I thank the hon. Member for raising both the individual and the general case and reassure her that we are working on the issue.

Katie Lam: On a point of order, Mr Speaker. I believe the Prime Minister has inadvertently misled the House. I seek your guidance on how to get him to correct the record for claiming that I said something that I did not.

Mr Speaker: We cannot continue the debate. What I can say is that you have put your view on the record, but I am not responsible for the Prime Minister's answers. If, inadvertently, the answer was not right, it is up to the individual to correct it.

China: Foreign Interference Arrests

12.42 pm

The Minister for Security (Dan Jarvis): With your permission, Mr Speaker, I would like to make a statement regarding three arrests that took place this morning as part of a Counter Terrorism Policing investigation into suspected offences under the National Security Act 2023. I can confirm that this relates to China. I can also confirm that this relates to foreign interference targeting UK democracy.

Mr Speaker, for reasons that you will understand, it would not be appropriate for me to comment on any aspect of what is now a live investigation. It is absolutely critical that we do not hamper the work of the police or prejudice any future legal processes by what we say in this House today.

I would, however, point the House to what Counter Terrorism Policing has just said in its own statement, which is that, this morning, its officers arrested three men as part of an investigation into suspected offences under the National Security Act. All three men were arrested on suspicion of assisting a foreign intelligence service, contrary to section 3 of that Act. Any decision as to whether to proceed with a prosecution would be a matter for the Crown Prosecution Service.

The Government stand resolute in our resolve to counter foreign interference activity targeting the UK from any state actor. The Government have been consistent and unambiguous in our assessment that China presents a series of threats to the United Kingdom. We remain deeply concerned by an increasing pattern of covert activity from Chinese state-linked actors targeting UK democracy. This involves attempts to obtain information on UK policymaking and interfere with our sovereign affairs.

From the November MI5 espionage alert warning about Chinese intelligence officers targeting individuals with access to sensitive information on Parliament and Government to the attempted interference activities of Christine Lee in 2022, this Government will not tolerate it. I can confirm to the House that British officials have formally démarched Chinese counterparts in London and Beijing about these allegations to raise our strong concerns. However, as this is a live investigation, it would not be appropriate to comment further. But let me be clear: if there is proven evidence of attempts by China to interfere with UK sovereign affairs, we will impose severe consequences and hold all actors involved to account.

In the meantime, the Government are taking robust action to ensure that the UK's democratic institutions and processes are a hard target for this activity. The National Security Act 2023 provides our intelligence agencies and law enforcement with the modern legal tools they need to deter, detect, and disrupt the full range of state threats. The action that Counter Terrorism Policing has been able to take this morning is an example that shows that the legislation working well. The political influence tier of the foreign influence registration scheme under the National Security Act also provides an essential framework for ensuring that those who seek to undermine our democracy are held to account.

I continue to drive across Government the delivery of our counter-political interference and espionage action plan, which I announced to Parliament on 18 November. This is being co-ordinated in strong partnership with the parliamentary security authorities.

Our aim is to forge a cross-party and whole-of-society shield to safeguard UK democracy. This includes strengthening our legal defences, cutting off channels for interference, and supporting those on the frontline of UK politics to recognise, resist and report the threat.

Members should have seen the guidance that the National Protective Security Authority and the National Cyber Security Centre published last year, which included what to look out for in terms of malicious foreign targeting and some basic steps that Members can take to protect themselves. I urge all Members to read carefully through the guidance that was issued. If hon. Members do experience any suspicious or out-of-the-ordinary interactions, whether in person or online, they should report it to the Parliamentary Security Department. The Government will continue to work in collaboration with the Parliament Security Department to set up a range of more tailored, bespoke briefings for those at greatest risk.

In January, I joined the director general of MI5 and the chief executive of the NCSC to brief the chief executives of the UK political parties on the developing threat picture. I can confirm that officials are now focused on developing a programme of work to engage with the UK's think-tanks and non-profit sector to discuss the threats that they face from foreign interference. Our intent is to work with them to strengthen their resilience, ensuring that their hard-won reputations and networks are not exploited by our adversaries as platforms for covertly influencing UK public discourse and policymaking.

In February, we introduced the Representation of the People Bill, which will further strengthen safeguards against foreign interference through political funding. Our proposed Bill includes introducing tougher rules for donor recipients to conduct risk assessments before accepting donations, as well as increasing the powers of the Electoral Commission to ensure that it has the tools necessary to fulfil its duties.

The Government eagerly await the report of Philip Rycroft, following his independent review of regulations and safeguards against foreign financial interference in UK politics. The review was commissioned to rigorously test the financial safeguards we currently have in place and will specifically consider safeguards against illicit funding streams, including the use of crypto-assets. The review's findings will be delivered to the Secretary of State for Housing, Communities and Local Government and me by the end of the month. I confirm that recommendations, where appropriate, will inform the Representation of the People Bill. We are also working on new powers to counter foreign interference, including a proscription-style tool to disrupt proxy organisations undermining our security.

It continues to be in our long-term strategic interest to engage with China. We are engaging with China confidently and pragmatically on areas where engagement is in the UK's national interest, including climate, global health, trade, scientific research, illegal migration and serious organised crime—to name just a few. But let me be crystal clear: this is not a question of balancing

[Dan Jarvis]

economic and security considerations. We do not trade off security for economic access. Instead, by taking tough steps to keep us secure, we enable ourselves to co-operate in other areas.

We will always challenge any country, including China, that attempts to interfere with or undermine the integrity of our democratic institutions, and we will always prioritise UK national security. That is why the Prime Minister's visit opened up a direct channel of communication to deliver in the national interest, enabling us to raise frank concerns about activities that impact our national security, including domestic security issues, at the most senior levels of the Chinese system.

I assure Members of the House and the public that further steps can and absolutely will be taken to defend our democracy. The Government are steadfast in our commitment to disrupting and deterring China's interference activity wherever it takes place. I commend this statement to the House.

Several hon. Members *rose*—

Mr Speaker: Order. I am sure we appreciate the fact that the Minister has come to the House at the earliest opportunity to provide an update on these serious issues. As there is now a live police investigation, Members should exercise caution in saying anything that risks prejudicing that investigation. I thought it important that the House got to this at the earliest possible time, and I must thank the Minister for that. I call the shadow Minister.

12.52 pm

Alex Burghart (Brentwood and Ongar) (Con): I thank the Minister for advance sight of his statement, and I appreciate the speed with which he has come to the House today.

Here we are again: another year, another Chinese spy scandal, and the backdrop is the Government's failed policy of appeasement. The Government must surely be coming to the realisation that unless the United Kingdom stands up to these threats, our country will continue to be treated with disdain. We watched how the Government allowed the Chinese spy case involving Members of this House to collapse. We watched as—despite the interference in our democracy—the Government approved the Chinese mega-embassy in London, and we watched as the Prime Minister went to Beijing, cap in hand, begging for trade deals to mitigate the costs of his own disastrous economic policy. We in the House watched as those things happened; the Chinese state watched, too, and saw that it could act with impunity. The Minister said that there is no trade-off between our economic interests and our democratic and national security interests, but I am afraid that is exactly what has happened.

I understand that the Minister will be unable to say much about the new case, but we all know what we are dealing with here, so I hope he will be clear about the Government's response. I hope that he will talk a little bit about whether this case touches on Members of the House, because while we have been in the Chamber the BBC and *The Guardian* have reported that one of those arrested is the spouse of a sitting Labour MP and that another is the spouse of a former Labour MP. Given that that is being reported in the press, will the Minister confirm whether that is true?

Will the Minister also give a cast-iron guarantee to the House that the Government will do everything in their power to prevent this case from collapsing? We have seen this show before. Will he promise that, unlike last time, the Chinese ambassador will be summoned by Ministers and told that aggressive interference in our country and its democracy will no longer be tolerated? Mr Speaker, I should say how right you were to deny that ambassador access to this House.

Will the Minister now commit to placing China on the enhanced tier of the foreign influence registration scheme? The Minister said that China presents a series of threats, but during the last spy scandal the Government refused to say the crucial words—that China posed a risk to our national security—and they would not publicly accept that China was opposed or hostile to the interests of the United Kingdom. Will he now accept that that position is no longer tenable?

The Minister said that if there is proven evidence of attempts by China to interfere with UK sovereign affairs, the Government will impose severe consequences and hold all actors involved to account. We sincerely hope that is true, but it was not true last time, so here we are again. Unless the Government finally step up, we will be back here time and again.

Dan Jarvis: I thank the hon. Gentleman for his response. I am grateful to him for acknowledging the speed at which the Government have sought to make a statement. I know that he and right hon. and hon. Members will understand that there are strict limitations on what I can say about what is obviously now a live police investigation, but I hope that I speak for both sides of the House when I say that these are the most serious matters, which require us as a House to put the protection of our democracy above any political point scoring. That is how we should approach these proceedings.

The hon. Member, for reasons that I understand, sought to critique the Government's position. I understand why he did that, but I am confident in the Government's response to this incident and to our wider agenda on countering political interference. Of course, it is right that Members across the House have the opportunity to scrutinise Government policy and ask questions. That is precisely why we have moved at pace to provide an opportunity for them to do so.

I want to give the hon. Member and other right hon. and hon. Members a guarantee that, given the sensitivity of these issues and the obvious need to protect the operational activity of our police and the security services, we will look for other opportunities to provide appropriate briefings to relevant Members across the House by the relevant experts, to ensure that they can be updated in a way that simply cannot be done on the Floor of the House.

The hon. Member asked a number of questions. He will understand that there are strict limits on what I can say, but let me assure him about the seriousness with which we take these matters. I have always believed that the work that takes place across the House, led by Government, to defend our democracy should be a shared endeavour. The defending democracy taskforce was an initiative brought forward by the previous Government, and this Government have invested in it. It is the fulcrum at which we co-ordinate activity across Government and with law enforcement partners, working

closely with Mr Speaker and the parliamentary security authorities here in the House, to ensure that our elected representatives are properly protected against the threats that we face. I assure him of the Government's determination to stand with all Members to ensure that they are properly protected.

The hon. Member knows, because we have had such exchanges on numerous occasions, that matters relating to prosecutions are specifically matters for the Crown Prosecution Service. It is not for Ministers to opine and make judgments from the Dispatch Box, because the CPS is rightly independent of Government. But he does know—as do other hon. Members—how extremely disappointed the Government were that the trial last autumn did not proceed. Clearly, as he will understand, there is a crucial difference in that the charges in that case had been brought under the Official Secrets Act 1911. I am confident that the National Security Act 2023 provides the robust legislation we need to address the threats that we undoubtedly face.

The hon. Member mentioned FIRS, and I understand why he decided to do so. FIRS is an important capability that comes from the National Security Act. It is still a relatively new tool, and we are seeking to ensure that we can derive the maximum operational capability from it. We have not made any final decisions as to whether we will place other countries on the enhanced tier, but we keep that under very close review. As I have made clear, this Government will simply not tolerate attempts to interfere in our democracy. We have already taken tough action to strengthen our defences against foreign interference, and we will not hesitate to take further steps where they are necessary.

Mr Speaker: I call the Chair of the Joint Committee on National Security Strategy.

Matt Western (Warwick and Leamington) (Lab): I thank the Minister for his immediate update to the House, given the recency of this breaking news. He will know that the Joint Committee on the National Security Strategy did its report on the case of Cash and Berry, in which it made certain recommendations. The National Security Act 2023 is now fully in place. That is post the original Official Secrets Act 1911, which related to what was undertaken, allegedly, by Cash and Berry. Would the Minister agree that, given the essence of the grain of rice strategy pursued by China, we could see many more cases such as this, involving intelligence gathering by the Chinese as they seek to undermine our democracy and political system?

Dan Jarvis: I am grateful to my hon. Friend and his Committee for the important work that they do, and I am grateful for their report. He will have seen the comprehensive response from the Government. We want to ensure—and we are doing this—that the United Kingdom is the hardest possible target for those who would seek to interfere in our democracy. That is why we are investing in the processes of the defending democracy taskforce, why we commissioned the Rycroft review and why I announced the counter-political espionage action plan. There is a lot of work taking place across Government, working with law enforcement to ensure that we are protecting our institutions and our elected representatives. I hope that I can convey to my hon. Friend and the House the seriousness with which we take these matters,

but I want this to be a shared endeavour, working with parliamentarians of all colours. This affects us all, and the Government are working at pace to stand against the threat.

Mr Speaker: I call the Liberal Democrat spokesperson.

Lisa Smart (Hazel Grove) (LD): I thank the Minister for giving me advance sight of the statement, even if at this stage he is rather limited in what he can say. He is entirely right to say that we must continue to allow the police to do their job and to do it well. We remain grateful to all those who are working to keep our country safe, both here in the UK and abroad. It is essential we defend our country and our democracy, including through a robust response by counter-terrorist police.

The arrests this morning highlight the continued reach of foreign interference in the UK, whether it involves spying in its raw sense or the pervasive and persuasive influence of foreign money in our politics. The Government could be doing more to put an end to the clout of foreign money in our democracy, and there is an opportunity to limit the influence of foreign money through the Representation of the People Bill, but as Spotlight on Corruption has made clear, the provisions in the Bill as it stands—looking at company revenue rather than profit—can be easily exploited and far too easily gamed to allow foreign money in. This must stop.

The Security Minister mentioned the foreign influence registration scheme in his statement, but he was unable, not for the first time, to mention any plans to add China to the enhanced tier. How many times must we all come to this House to hear a report of further rounds of arrests under counter-terrorism legislation before this Government take this action? Do the Government plan to review their decision to allow the building of the Chinese mega-embassy, and will they go further to stop foreign money being funnelled into our democracy, including through an absolute donation cap and a ban on those who have worked for foreign regimes from making any donations at all?

Dan Jarvis: Let me take this opportunity—on behalf, I am sure, of all Members in this House—to thank those whose vital work keeps our country safe. They are the best of us, and our national security is underpinned by their endeavours. The hon. Lady makes several important points. She is right to raise concerns about foreign money in our politics. The Government take these concerns incredibly seriously. That is precisely why we have commissioned Philip Rycroft to conduct an independent review into this issue at pace. She might be aware that we debated these matters in Westminster Hall just a couple of weeks ago, when I encouraged her colleague, the hon. Member for Thornbury and Yate (Claire Young), to make formal representations to Mr Rycroft. I am grateful for her confirmation that they have done so. That is very much appreciated, because this is an important body of work that will provide recommendations to the Secretary of State for Housing, Communities and Local Government and myself in the next couple of weeks, in time to inform the Representation of the People Bill. This is a timely piece of work and a good opportunity to ensure that that Bill provides the protections that we—I think, collectively—want it to.

[*Dan Jarvis*]

The hon. Member for Hazel Grove (Lisa Smart) mentioned FIRS, and I understand why. FIRS is a useful tool, but it is still a new tool and we are working to ensure that it provides the maximum operational capability. We are looking carefully at how we can use it to best effect. She also mentioned the embassy; again, I understand why she did so. She knows the Government's position with regard to the embassy. Again, I am a bit limited in what I can say about that because of ongoing legal proceedings, but I refer her to the remarks that I have made previously. There is a strong national security case for the embassy. She will have noted the letter that was sent to the Government from the directors general of MI5 and GCHQ, and I am confident that this is the right thing to be doing.

Mr Alex Barros-Curtis (Cardiff West) (Lab): I thank the Minister for his statement and for all the work he does on the defending democracy taskforce. I also put on record my thanks to the law enforcement authorities and national security agencies. From what I have read online, I understand that one of today's arrests took place in my constituency. My constituents will obviously be concerned to hear that, and I wonder what the Security Minister can say to reassure me and my constituents that the police and all the relevant authorities have the resources needed to keep us safe and to keep our democracy safe. If I am right to assume that what I have read online is correct, will he meet me at the earliest opportunity to discuss this further?

Dan Jarvis: My hon. Friend has raised important points with regard to our democracy on countless occasions, and I am grateful to him for doing so again today. I can assure him that the police have the resources they need to do a difficult and complicated job, and of course I would be happy to meet him at the earliest available opportunity.

Mr Speaker: I call the Father of the House.

Sir Edward Leigh (Gainsborough) (Con): The Chinese only represent strength, and for them everything is transactional, so I think the country would rejoice if the Government were to summon the Chinese ambassador and say to him, "This sort of behaviour is intolerable. You cannot build this mega-embassy in just about the most sensitive site in London while you behave like this." I am not asking about what MI5 and MI6 have said. This is transactional. We must say, "Treat British nationals like Jimmy Lai properly, and don't spy on us; otherwise, we're going to pause this embassy until you learn to behave."

Dan Jarvis: The Father of the House will have heard my introductory remarks, where I made it clear that Chinese officials have been demarched, both here in London and in Beijing. He talks about the transactional nature of the relationship. I hope he will accept that this Government have to, and do, act in the national interest. There are absolutely areas where we need to co-operate with China. I have referenced some, but they also include some areas within the law enforcement space, such as illegal migration, serious organised crime and narcotics trafficking. I honestly think it would be naive of anyone—although I am certainly not saying that the Father of

the House was putting forward this view—to say that we should not have some kind of functional working relationship with China, but I was crystal clear in my opening remarks that national security is the first priority of this Government and we will do everything we need to do to safeguard our country and our democracy.

Mr Bayo Alaba (Southend East and Rochford) (Lab): The conflict in Iran is deeply concerning, and I was glad to see that the Government's flights are set to leave the middle east tonight. What more can my colleagues and I do to protect those stuck in the region from bad faith actors?

Mr Speaker: I am not quite sure that is relevant. I call the Karen Bradley.

Dame Karen Bradley (Staffordshire Moorlands) (Con): Given the vulnerabilities of Members of Parliament, can I urge the Security Minister to work with the parliamentary authorities not just to pass information to Members but to work proactively with us to ensure that we are all aware of the risks that are posed to us and the steps we need to take to ensure that we are not exposed to interference from foreign states?

Dan Jarvis: The Chair of the Home Affairs Committee is absolutely right. I hope she understands the seriousness with which we take these matters. I spend a lot of time working with the defending democracy taskforce to ensure that we have in place the protections we need. That is not just about elections; it is about our democracy on an enduring basis. The relationship with this House and with Mr Speaker—hon. Members know how seriously Mr Speaker takes these matters—is a close working relationship. I will always make myself available to talk to colleagues about any matter of concern. A significant amount of guidance has been issued over the last few months. I encourage Members of this and the other House to engage with the materials that have been published, and, where they have further concerns, to raise them through the Parliamentary Security Department and with myself.

Mark Sowards (Leeds South West and Morley) (Lab): I thank the Minister for his update on this difficult case. In his statement, he confirmed that the Government are working on a

"proscription-style tool to disrupt proxy organisations undermining our security."

When will this tool be ready and does it include the recommendations set out by Jonathan Hall?

Dan Jarvis: My hon. Friend raised this matter with the Foreign Secretary just yesterday, and he is right to do so. He will know that the Government commissioned Jonathan Hall to look at the legislative framework given the concerns we had that there was not an appropriate legislative tool to proscribe a state-backed organisation. Mr Hall has made a number of recommendations, all of which have been accepted by the Government. I am conscious that the Leader of the House is sitting here and will not expect me to talk about matters relating to parliamentary business, but I can give my hon. Friend the assurances he seeks that the Government are seeking to deliver this tool and will seek to bring forward legislation at the earliest available opportunity.

Sir Jeremy Wright (Kenilworth and Southam) (Con): As I hope the Minister would accept, the last trial of those accused of alleged espionage on behalf of China foundered—to put it at its mildest—because of a lack of shared understanding between the Crown Prosecution Service and the Government about the evidence that the Government could properly submit in support of that prosecution. I do not expect him to comment about the specifics of this case, but would he accept that it would be sensible for the Government now to ensure that as this matter develops, no such misunderstanding occurs, and that the relationship between the CPS and the Government is in the right place to ensure that evidential conversations are held early rather than late? Finally, would he accept that it would be sensible for the Intelligence and Security Committee to be kept up to date as this matter develops, given that we meet in private and the risks of prejudicing future prosecutions are lower in our case?

Dan Jarvis: I am grateful to the right hon. and learned Member and share in much of the analysis that he has brought forward. Misunderstandings are never helpful and, under these circumstances, above all else we will ensure that there are no misunderstandings. He knows the disappointment that is felt across Government, and within the agencies and law enforcement, about where we got to back in the autumn. Of course, I give him an absolute assurance and commitment that we will do everything we need to do to ensure that the CPS is able to make a judgment; but, as he will understand, that has to be independent of Government. His point about the ISC is absolutely right. He will understand that events have moved incredibly quickly this morning and that we will want to take a moment later today to reflect on what needs to happen next, but I give him an absolute assurance that we want to work closely with the ISC as part of the process.

Peter Dowd (Bootle) (Lab): I thank the Minister for the update, and I welcome progress made on the counter-political interference and espionage plan. Would the Minister return to the House as appropriate to further update us on that plan?

Dan Jarvis: The counter-political espionage and interference plan draws together numerous important strands of activity across Government and ensures that all that work is properly co-ordinated, and we take that very seriously. I absolutely give my hon. Friend the assurance that he seeks. We will provide updates at the earliest available opportunity, but should he or any other Members have concerns in the meantime, I would be very happy to speak to them.

Edward Morello (West Dorset) (LD): I praise the work of our police and our security and intelligence services in this case. I thank the Minister for his statement. Like him, I look forward to the publication of the Rycroft report. The Foreign Affairs Committee heard evidence from the Electoral Commission, as did the Joint Committee on the National Security Strategy. Would the Government consider new clauses to the Representation of the People Bill to widen and strengthen the powers of the Electoral Commission and, importantly, provide it with the necessary funding to properly defend our democracy?

Dan Jarvis: All the points that the hon. Gentleman makes are entirely sound and reasonable. He will understand that we need to wait for the Rycroft review to report; I expect that to be in just a couple of weeks. We very deliberately sequenced it so that it can make recommendations that inform proceedings on the Representation of the People Bill. He knows from contact we have had through the Joint Committee that we take these matters very seriously, and we will want to ensure that we have all the safeguards we need. I am grateful for the confirmation from his Front-Bench spokesman, the hon. Member for Hazel Grove (Lisa Smart), that his party has engaged with that process, and I would be happy to discuss this further with them.

Chris Vince (Harlow) (Lab/Co-op): I thank my hon. and gallant Friend for the work he does—and did, in his previous career—to ensure that our country and democracy stay safe. Mr Speaker, you will be aware that democracy only happens in this place because of House staff and MPs' staff, who make a huge difference to us and ensure that we can do our job. How will the Minister protect MPs' staff and House staff, and ensure their security as well?

Dan Jarvis: I thank my hon. Friend for his question. He has developed something of a knack for finding a good question that most people will have in their mind. I can give him the assurances that he seeks. It is important that we ensure that protections are in place, not only for our elected representatives—those who step forward to serve in this House and in other places—but for their staff, who work so hard and diligently to serve them. We still have a lot of work to do—that work will be led here by Mr Speaker and the Parliamentary Security Department—but the Government will work very closely alongside them, to ensure that they have the support that they need.

Dr Andrew Murrison (South West Wiltshire) (Con): The Minister spoke of “severe consequences”. Will he outline what those severe consequences might be? Does he understand that Beijing is unlikely to take that terribly seriously, given what has happened in the recent past? Will the severe consequences include putting on hold plans for the Chinese super-embassy and spy centre, pending the outcome of the Met's investigation?

Dan Jarvis: The right hon. Gentleman, who is a very experienced Member of this House, will know that, given that we are referring to events that took place just a couple of hours ago, it would be unwise of me to get into further detail. On our response to the threats that we have faced over the last months, I point him to a number of measures that I have referred to. He knows, I hope, how seriously we take these matters. He and I do not agree on the embassy, but I say to him, as I have said to other hon. Members, that there is a clear national security case for the embassy proposal. The directors general of two of the security services have been clear about the national security advantages, as have I. This Government will do everything we need to do to protect our country, our national security and this place. He knows that there is a lot that I cannot say about what we intend to do, but let me be crystal clear: where malign actors—whoever they may be—seek to undermine our democracy, there will be consequences.

Mr Luke Charters (York Outer) (Lab): I recently visited the Defence Intelligence Academy with the armed forces parliamentary scheme and saw at first hand that our intelligence services are the best in the business. The Government should be praised for increasing the single intelligence account in real terms. Will he commit to keeping the SIA under review, given the increasing threats around political interference, and the threat of state-sponsored terrorism from Iran?

Dan Jarvis: My hon. Friend makes an important point about the SIA. He is right that this Government have ensured that our intelligence services have access to the resources they need in a difficult and challenging world. I give him and the House an assurance that should there be a requirement for additional support, this Government will always ensure that both our police and our intelligence services have the resources they need to do the very difficult job that we ask them to do.

Chris Law (Dundee Central) (SNP): The Government will be well aware that, through the united front, the Chinese Communist party has created a global network of individuals and organisations that act as a political weapon to isolate, neutralise or counter Beijing's critics. Indeed, a Jamestown Foundation report published this month shows that the UK is one of the four most exposed countries, with over 400 united front-linked organisations identified here. Why do the Government continue to refuse to take the necessary action to protect the nations of these islands by placing China on the enhanced tier of the foreign influence registration scheme? That scheme may be new, but if it is going to be useful, it needs to be used.

Dan Jarvis: The hon. Gentleman makes some important points. He will have heard what I said about FIRS. It is an important capability, and we need ensure that it is deployed in the right way, but we have introduced a number of measures in recent months to ensure that the United Kingdom is the hardest possible operating environment for those who seek to undermine our democracy. We are doing lots of things that I am unable to talk about, but I give him the assurance that we are taking these matters incredibly seriously, and will do everything that we need to do.

Peter Swallow (Bracknell) (Lab): I have raised my concerns about foreign interference by Russia and China on many occasions, and today's events underline why the issue is so important. I welcome the Rycroft review; it is fundamental that we get to the bottom of foreign interference in our politics. My only concern is that because the review will consider financial interference specifically, it may not have the scope to get the full facts. If that proves to be the case, will the Minister do everything in his power to ensure that we have further such work, so that we know the full extent of foreign interference in our democracy, in our elections and in this place?

Dan Jarvis: My hon. Friend is right to raise that point, and he has done so consistently. The Rycroft review provides a very important opportunity to take stock of the threats and challenges, and to work out how best to respond. However, I absolutely give him the assurance that he seeks; I would not want to prejudge

the review, but if there are measures that are not included in it, we will of course keep an open mind about what more we need to do. We already have a number of powers, and we need to make sure that we use them to maximum effect, but where there is a requirement for new legislation, new powers or additional resources, we will not hesitate to bring them forward.

Dr Kieran Mullan (Bexhill and Battle) (Con): As the Minister said, at the heart of this is the question of whether our enemies and malign actors fear the consequences of hostile acts against us. That question is why many of us say that the embassy should be paused. Why would the Chinese be worried about consequences of spying, when this week, another malign actor attempted to kill British armed forces personnel and attacked sovereign territory, but suffered no consequences? What lesson does the Minister think China will take from our failure to defend our own territory from military attack?

Dan Jarvis: The hon. Gentleman raises his concerns, as he is entitled to. It was important—many would not agree—that the Prime Minister went to China to have frank conversations relating to our national security. People should understand that if they seek to commit criminal acts, attack our country or undermine our democracy, there will be consequences. This Government will ensure that this is the hardest operating environment for those people.

Richard Tice (Boston and Skegness) (Reform): I recently made a submission to the Rycroft review relating my concerns about Chinese communist regime influence on the Labour party. Given that we now understand that the partners of a sitting Labour MP and of a former Labour MP have been arrested today, the Minister will understand why I shall be updating that submission ahead of my meeting with the Rycroft review next week. Will the Minister confirm whether the Rycroft review can take account of these arrests, or will it need to be extended until a decision is made on whether charges are brought?

Dan Jarvis: I am grateful to the hon. Gentleman for contributing to the Rycroft review, not least because he and a number of his colleagues have expert insight into the consequences of foreign interference. I hope that he has taken the opportunity to reflect on that and fed it into the review. Of course, the review is being conducted independently by Philip Rycroft and will report by the end of this month, so he will absolutely have the time and space to reflect on recent events. It is an important piece of work that will inform Government policy, not least on cracking down on all the foreign money that should not be in our politics—another matter that Reform Members know quite a bit about.

Harriet Cross (Gordon and Buchan) (Con): China is a risk—we have so much evidence of that—yet the Secretary of State for Energy Security and Net Zero has signed an energy deal with China for co-operation on batteries, offshore wind, cables and inverters. It effectively gives China access to our energy grid—that is a massive risk. Was the Security Minister consulted by the Secretary of State for Energy Security and Net Zero before the deal was signed?

Dan Jarvis: The hon. Lady raises an important point. I can give her and the House the assurance that we have checks and balances in place to ensure that decisions such as the one that she refers to are made in a way that enables our continued national security. We work collaboratively across Government; it is a system that we inherited from the previous Government. We will do everything we can to ensure that we are making informed judgments. Of course, where appropriate, we will make judgments that will aid economic advantage, but underpinning all that will be decisions to ensure that nothing undermines our national security.

Luke Taylor (Sutton and Cheam) (LD): I join all colleagues in the Chamber in expressing my shock about the news this morning. I am also disgusted that the Chinese state has targeted the partners of sitting and former MPs. From a personal perspective, may I ask the Government and the Minister to ensure that those affected are supported, following this utterly outrageous targeting of those closest to them?

On the practicalities of what this may imply, can the Minister reassure us all that if the inquiry suggests that any information accessed through a sitting or former MP affected the Government's decision on the Chinese embassy, that decision will be paused, reviewed and potentially reversed?

Dan Jarvis: The hon. Gentleman will understand that I cannot comment on specifics relating to individuals. Along with the director-general of MI5, I recently briefed the chief executives of UK political parties, including the Liberal Democrats. One point made at that briefing was that people who are involved in politics should not take the view that only those who serve in Government or in particular positions of authority and responsibility are targeted. All those involved in the wider political ecosystem are in play here, and that is an important message for people inside and outside this place to understand.

I am grateful to the hon. Gentleman for his other point. He knows the Government's position on the embassy. There is nothing more I can say about that now.

Dr Neil Shastri-Hurst (Solihull West and Shirley) (Con): I know how seriously the Minister takes national security; he will feel keenly any interference with our democracy. However, the news that officials being *démarched* will be cold comfort for the 4,500 Hongkongers who live in the borough of Solihull. Can the Minister guarantee that the Chinese ambassador to the UK will be summoned by the Foreign Secretary for an interview without coffee?

Dan Jarvis: The hon. Gentleman is right: I do take these things incredibly seriously. I am grateful for his point about Hongkongers in his constituency. I have personally raised our concerns about arrest warrants and bounties directly with Chinese authorities, and he will have heard what I said earlier about officials being *démarched*. The Hongkongers make an important contribution to our country. He knows the Government's position on transnational repression. A lot of work has taken place through the defending democracy taskforce to ensure that people are, and feel, protected, but if he thinks that we should be doing more, I would always be very happy to discuss it with him.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): It is a source of concern that two of the three men were arrested in Wales, and that they have close associations with the Labour party. Given that the Senedd goes to the polls in just over two months—in the shadow, of course, of the Nathan Gill scandal—what support will be given to the Electoral Commission to ensure that there are sufficient resources to safeguard those elections against the growing threat of foreign interference?

Dan Jarvis: The right hon. Member is right to raise the importance of the work done by the Electoral Commission. It is a key member of the defending democracy taskforce, and we work closely to ensure that it has the powers it needs to do the difficult job asked of it. She will obviously understand that the Rycroft review and the Representation of the People Bill will not provide legislative change in advance of elections that are taking place in May. That is precisely why we are working closely with the devolved institutions, and we will be having further contact with them over the coming weeks, to ensure that the important elections that are taking place around the country in May do so in a fair and free environment. That is what we all want to see.

Ben Obese-Jecty (Huntingdon) (Con): Will the Security Minister confirm whether the partner of the sitting Labour MP arrested on espionage charges of spying for China had a parliamentary pass?

Dan Jarvis: I am disappointed that the hon. Gentleman did not ask me about FIRS, because he has consistently done so and I always enjoy our exchanges. He will understand that I have come here at extremely short notice to provide an update to the House, and I cannot get into the operational details of matters that took place just a few hours ago.

Mr Speaker: Just to reassure the hon. Gentleman, the answer is no.

Carla Lockhart (Upper Bann) (DUP): The Minister has said numerous times that the Government always prioritise UK national security, but those words ring hollow whenever we think of the Chinese embassy, and the fact that this Government have granted a mega-embassy close to underground cables carrying highly sensitive data. In the light of these highly concerning developments, surely the Government should show courage, strength and leadership, and with immediate effect revoke that decision in the interest of national security.

Dan Jarvis: With great respect to the hon. Lady—I always listen carefully to what she has to say, because she represents a part of the United Kingdom that I have a long-standing interest in—she is not right in what she says about the embassy. I refer her to comments made by the Intelligence and Security Committee and the director generals of our security services. The arrangement that underpins the Chinese embassy involves the reduction of the diplomatic estate in London from seven sites down to one. I hope that when she looks at it in those terms, she will understand that there are national security advantages from that proposal.

Dr Luke Evans (Hinckley and Bosworth) (Con): A Member of Parliament's partner has been accused of spying for China. The Minister has been asked this

[Dr Luke Evans]

several times: have the Foreign Secretary or the Home Secretary specifically asked and summoned the ambassador to come to explain themselves, and if not, why not?

Dan Jarvis: The hon. Member will have heard from my opening remarks that Chinese officials have been démarched in both London and Beijing. I hope he will also understand that we are referencing events that happened earlier this morning.

Suella Braverman (Fareham and Waterlooville) (Reform): As Home Secretary, I delivered the National Security Act 2023, largely because of the threat posed by China. If media reports are true, does the Minister agree that the perception of conflict of interest, compromise and bias are just as damaging as actual conflict of interest, compromise and bias? Will he reassure the House today that the Labour party will do everything and take appropriate measures to protect the probity of the investigation and maintain public confidence?

Dan Jarvis: Of course the Government will do everything to ensure that the counter-terrorism police and intelligence agencies have whatever they need to conduct this investigation. As the right hon. and learned Lady will understand from her time as Home Secretary, that is conducted independently of Government, and it is not for the Security Minister, the Home Secretary or any Minister to get involved in the business of an investigation. That would not be appropriate, and I hope she would acknowledge that. Let me also say something positive to her. She was Home Secretary when the National Security Act 2023 was introduced, and that vital piece of legislation is making a real difference to our ability to counter those who would seek to do us harm. It is a valuable tool in our armoury, but where there is a view that we need to add more tools to that armoury, we will definitely do so.

Gregory Stafford (Farnham and Bordon) (Con): The name of the Labour Member of Parliament whose husband has been arrested is circulating widely via the media. I do not intend to name that Member of Parliament, but if the reports are true, that Member of Parliament sits on a Select Committee that would have sensitive, maybe even secret, information and, through totally

legitimate means, has visited a number of our defence sites across the country. Has there been, or will there be, an urgent review of what sensitive information that Member of Parliament might have been party to and, at the appropriate juncture, will the Minister release any correspondence between his Department and that Member of Parliament on things such as the Chinese embassy and other matters relating to China?

Dan Jarvis: On the hon. Gentleman's first point, he will understand that membership of a Select Committee is not a matter for the Government, but Mr Speaker will have heard the point he raised, as have I. On his second point, he will understand that we are dealing with events that took place a couple of hours ago. I have not seen what is being reported online, because I have obviously been here, but I will give consideration to the matter he has raised.

Jim Shannon (Strangford) (DUP): I thank the Minister very much for his answers. Nobody in this House doubts his commitment to finding answers to ensure that the truth is out and justice is done—I thank him for that; everybody respects it. I highlighted when my constituents raised surveillance by the Chinese Communist party in my constituency, and when the website of the all-party group for international freedom of religion or belief, which I chair, was hacked, and information that highlighted human rights abuses and persecution in China was removed. The Minister has outlined clearly what will happen on the mainland, but Northern Ireland has a porous border with the Republic of Ireland. CCP authorities regularly cross the border going north and south with little or no checks, and its activities in the Republic of Ireland must be watched. What discussions has the Minister had to ensure that the Government of the Republic of Ireland, and the Garda Síochána, work collectively to thwart the CCP wherever it is, especially in Northern Ireland and the Republic of Ireland?

Dan Jarvis: I am grateful to the hon. Member, as always, for his words about our commitment to these matters. I know he shares that commitment, and he has been a tireless champion for the freedom of people to practise their religion. He has raised some important points, and he will understand if I want to reflect on them more closely. We have a close working relationship with the Republic of Ireland, but I will look carefully at what he said and get back to him.

Points of Order

1.36 pm

David Taylor (Hemel Hempstead) (Lab): On a point of order, Madam Deputy Speaker. I wish to clarify the record in response to the point of order raised by the hon. Member for North Herefordshire (Dr Chowns) on Monday, following the statement on Iran, in which she claimed that the reputation of the Green party deputy leader, Mothin Ali, had been “incorrectly attacked” by the right hon. Member for Wetherby and Easingwold (Sir Alec Shelbrooke). In fact, the right hon. Gentleman was entirely correct in stating that the Green party deputy leader had attended a pro-Iranian regime rally. That is evidenced by the fact that the poster promoting the rally included the regime’s flag, but more importantly showed that the organisers of that event were not only the CND and the “stop some wars” coalition, but groups such as the Islamic human rights commission, which the Shawcross review named as an “Islamist group”, with links to the Iranian regime. There are also photos and video evidence of pro-regime flags, placards and chants, including chants of “death to Israel”. Finally, despite public comments made by the leader of the Green party and its other deputy leader, I wish to state my belief that there was nothing remotely offensive, racist or Islamophobic in either the question from the right hon. Member for Wetherby and Easingwold or the Prime Minister’s response. I therefore seek your guidance, Madam Deputy Speaker, on how the record may be corrected.

Madam Deputy Speaker (Ms Nusrat Ghani): I thank the hon. Member for his point of order. I assume that he informed the hon. Member for North Herefordshire (Dr Chowns) and the right hon. Member for Wetherby and Easingwold (Sir Alec Shelbrooke) about his intention to refer to them.

David Taylor *indicated assent.*

Madam Deputy Speaker: He is nodding affirmatively. As was made clear from the Chair when this matter was raised during a point of order on Monday, there is a mechanism for correcting the record for any Member who wishes to do so, but that is a matter for individual Members themselves. The hon. Member has now placed his own view substantially on the record.

Dr Kieran Mullan (Bexhill and Battle) (Con): On a point of order, Madam Deputy Speaker. I do not wish to put the Chair in the position of having to give an immediate answer, but as others have said, there are rumours online that the individuals arrested for spying include the partner of a Labour MP. I do not know any suggestion that that Labour MP has done anything wrong—it could have been any of us, potentially. However, we all know that MPs work with MPs from their own party and with those from other parties, sharing information and campaigning together, so we may well have been subjected to activities and we could volunteer information about them to the House authorities and others. Unless we have confirmation about who that individual is, that is not an easy position to be in. Will the House give consideration to letting us know who the individual is, so that we might reflect on whether we can offer any helpful information?

Madam Deputy Speaker (Ms Nusrat Ghani): I appreciate the hon. Member’s concern, but the Chair is not responsible for the content of the statements made by Ministers. Ministers will no doubt update the House when and if appropriate.

The Minister for Security (Dan Jarvis) *indicated assent.*

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Chris Elmore) *indicated assent.*

Madam Deputy Speaker: I see the Ministers are nodding positively. It is not a matter for the Chair. I will leave it there, because I do not want to continue the debate any further.

BILLS PRESENTED

MILITARY ACTION (PARLIAMENTARY APPROVAL) (No. 2) BILL

Presentation and First Reading (Standing Order No. 57)

Jeremy Corbyn, supported by Ms Diane Abbott, Bell Ribeiro-Addy, Brian Leishman, Mr Adnan Hussain, John McDonnell, Ayoub Khan, Richard Burgon, Kim Johnson, Apsana Begum, Dr Ellie Chowns and Hannah Spencer, presented a Bill to require parliamentary approval for the deployment of UK armed forces and military equipment for armed conflict; to require parliamentary approval for the granting of permission by Ministers for use of UK military bases and equipment by other nations for armed conflict; to require the withdrawal of that permission in circumstances where parliamentary approval is not granted; to provide for certain exemptions from these requirements; to make provision for retrospective parliamentary approval in certain circumstances; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 17 April, and to be printed (Bill 398).

STATE ACTORS (PROSCRIPTION) BILL

Presentation and First Reading (Standing Order No. 57)

Calum Miller, supported by James MacCleary, Dr Al Pinkerton, Edward Morello, Andrew George, Jess Brown-Fuller, Wera Hobhouse and Sarah Olney, presented a Bill to provide the Secretary of State with powers to proscribe state actors, state-linked actors and private entities acting on their behalf; to require the Secretary of State to use those powers to proscribe the Islamic Revolutionary Guard Corps; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 17 April, and to be printed (Bill 399).

UNITED STATES MILITARY AND SECURITY OPERATIONS (OVERSIGHT) BILL

Presentation and First Reading (Standing Order No. 57)

Calum Miller, supported by James MacCleary, Dr Al Pinkerton, Edward Morello, Andrew George, Jess Brown-Fuller, Wera Hobhouse and Sarah Olney, presented a Bill to confer oversight and reporting functions on the Intelligence and Security Committee of Parliament in relation to the use of bases or facilities located in the United Kingdom or under United Kingdom jurisdiction for military and security operations conducted by the United States; to require the provision of information to the Intelligence and Security Committee of Parliament

for the purpose of carrying out those functions; to provide for exemptions from the provision of information in certain circumstances; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 17 April, and to be printed (Bill 400).

Police (Declaration)

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

1.41 pm

Tonia Antoniazzi (Gower) (Lab): I beg to move,

That leave be given to bring in a Bill to require police officers and certain employees of police forces to declare a membership of or affiliation to certain types of society and organisation; to require such declarations to be accompanied by a statement relating to that membership; and for connected purposes.

Secret, closed or private societies have often been the subject of ridicule, from Monty Python to “The Simpsons”. Such organisations have been seen as silly, strange and perhaps old fashioned. Even today, we hear reference to the “funny handshake” club. But if people look beyond these parodies, they will find networks of people with power and authority, and clubs of like-minded individuals who look out for their own. Many often do excellent work raising funds for charitable causes and supporting communities.

The most well-known such group is the Freemasons, one of the world’s oldest social and charitable organisations, with around 170,000 members. It offers people community and support, and it sets out its four core values as integrity, friendship, respect and service. I have met several members who are loud and proud to belong: they are happy to declare their association because it means that they can tell people about the good work they do and counter any allegations of secrecy and nepotism.

I first raised the issue of police declaring membership of the Freemasons in 2024, with another ten-minute rule Bill. This is a matter that I have long believed needs to be put right. In December last year, I welcomed the Metropolitan police’s decision to revise its policy to require all officers and staff to declare whether they are members of the Freemasons or any other hierarchical association. The mandate has been largely supported by Met police officers. A survey of staff showed that two thirds of respondents felt membership of secret organisations affected the perception of police impartiality and public trust. Around 400 Met staff have now declared their involvement, most of them belonging to the Freemasons.

However, the move has not been without opposition. Earlier this year, legal action was brought by the home of freemasonry, the United Grand Lodge of England, along with two serving officers. They argued that the Met’s disclosure policy breached members’ rights to privacy and free expression. Last month, the High Court dismissed the challenge, ruling the Met’s policy was both lawful and proportionate.

For years, the Met has been under growing pressure to get to grips with concerns about the Freemasons’ influence in policing, and that pressure intensified after the Daniel Morgan independent panel highlighted the issue. The panel, set up to examine corruption around Daniel Morgan’s murder in 1987, found serious transparency failings and recommended that officers should be required to declare memberships, such as of the Freemasons, to help rebuild public trust.

The pressure increased in March 2023, after the Casey review delivered a stark assessment of the Met police’s culture and standards, finding them institutionally racist, misogynistic and homophobic. The Casey review

was commissioned in direct response to the kidnapping, rape and murder of Sarah Everard by a serving Metropolitan police officer. Sarah has been remembered today in the Chamber, as yesterday marked five years since she was killed. After her death, rebuilding public trust became something the Met police could no longer ignore. There is still a long way to go, but they hope that their new declarable association policy will be an important step towards greater transparency.

Across the UK, our policing model relies on public trust and consent, and at the heart of the Peelian principles of policing is the idea that public consent is maintained by applying the law fairly and impartially. The College of Policing's code of ethics states that, in order to demonstrate that they are applying the law fairly, police forces should operate with transparency.

The Independent Office for Police Conduct's 2023 report into public perceptions of the police identified "increased transparency" as a key measure that the police could take to improve confidence in policing. Interestingly, in 2016 the then police and crime commissioner for South Wales told "Y Byd ar Bedwar":

"If members of a club or society have to disclose, it takes away any hidden agendas... It would be best to have one common system for local authorities, police forces and health boards. Only then can we ensure everybody is being treated equally."

With these words in mind, I am seeking to bring forward a Bill that, at its heart, provides more transparency to the public. The outcome of the Bill would be to have a public register of associations for all officers and civilians working for the police. Members of this House work cross-party, and this is a policing issue, not a party political one, so I thank my colleagues who have sponsored the Bill, who come from three different parties.

Today, I urge this Government to introduce legislation to make it mandatory for all police forces in England and Wales to adopt a consistent, standardised approach, aligned with the Metropolitan police's declarable association policy, so that all our police are legally required to declare memberships, past or present, of any organisation with confidential membership or hierarchical structures, and there is an expectation that members support and protect one another. I want to see all police forces in the UK following the Met's lead. Do the rest of us, who live outside London, not deserve the same level of transparency and impartiality from our police forces?

This is not a particularly new idea for this House. In 1997 the Home Affairs Committee published its "Freemasonry in the Police and the Judiciary" report, which concluded:

"We recommend that police officers, magistrates, judges and crown prosecutors should be required to register membership of any secret society and that the record should be publicly available."

In February 1998, the Home Office accepted that recommendation, stating that all new appointments shall have as a condition of appointment a requirement to declare membership of the Freemasons. If I were a serving police officer, I would welcome the opportunity to be transparent and show my dedication to the force and to the public, which is what motivates all of us who serve the public. If we are serious about reforming police culture, as I think we should be, then we should leave no stone unturned. This Bill serves to act as one of those many stones in need of turning.

I must stress that the Bill does not seek to prevent membership of societies. I am acutely aware of the right to association and previous precedent that has been set for this in the European convention on human rights. For 20 years I was a schoolteacher, subject to checks by the Disclosure and Barring Service, but not a register of interests, as I am now as an MP. I feel very strongly about the significance and role of culture within organisations, particularly in public services. All organisations have a responsibility to change their culture for the better by being honest and—I use this word again—transparent about matters relating to governance and day-to-day operations. Of course, one might argue that if such declarations should be made in the police, they should also be made by Members of Parliament, given that we are lawmakers. To them I say: why not?

Being part of societies can be inherently positive, enhancing friendships and fostering new connections, but there are issues that we must address. It is important that we restore trust in the police, and the Bill is no magic wand. However, to quote from the Home Affairs Committee's 1998 report, "Freemasonry in Public Life":

"The solution is a simple one. It requires no bans or proscriptions, which generally have no place in a democratic society. It merely requires public servants who are members of a secret society—or 'a society with secrets' as freemasons used to say—to disclose their membership."

It is now time to move beyond secrecy in all police forces across the UK.

Question put and agreed to.

Ordered,

That Tonia Antoniazzi, Louise Haigh, Justin Madders, Paula Barker, Claire Hanna, Chris Bloore, David Smith, Ben Lake, Ann Davies, Liz Saville Roberts, Llinos Medi and Sarah Dyke present the Bill.

Tonia Antoniazzi accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 17 April, and to be printed (Bill 393).

Estimates Day

[4TH ALLOTTED DAY]

Foreign, Commonwealth and Development Office

[Relevant documents: Ninth Report of the International Development Committee, Future of UK aid and development assistance: interim report, HC 1330; Seventh Report of the International Development Committee, Assessing Value, Ensuring Impact: The FCDO's Approach to Value for Money in Official Development Assistance, HC 422; Oral evidence taken before the International Development Committee on 27 January and 20 January, on Future of UK aid and development assistance, HC 1330; Oral evidence taken before the Foreign Affairs Committee on 16 December and 9 December 2025, on Work of the Foreign, Commonwealth and Development Office, HC 385; Correspondence from the Secretary of State for Foreign, Commonwealth and Development Affairs to the International Development Committee, on structural changes and future of UK Official Development Assistance, reported to the House on 12 February; Correspondence between the International Development Committee and the Minister of State for International Development and Africa, on the Independent Commission for Aid Impact, dated 28 January and 23 January, reported to the House on 3 February; Correspondence between the Foreign Affairs Committee and the Parliamentary Under-Secretary of State in the Foreign, Commonwealth and Development Office, on British Council finances, reported to the House on 20 January and 13 January; Correspondence between the Foreign Affairs Committee and the Parliamentary Under-Secretary of State in the Foreign, Commonwealth and Development Office, on the budget of the Foreign, Commonwealth and Development Office, reported to the House on 20 January and 13 January; Correspondence between the Foreign Affairs Committee and the Parliamentary Under-Secretary of State in the Foreign, Commonwealth and Development Office, on the work of the Foreign, Commonwealth and Development Office, reported to the House on 9 December 2025; and Correspondence between the Chairs of the Foreign Affairs, International Development and Culture, Media and Sport Committees and the Chair of the BBC, on the BBC World Service, reported to the House on 11 November 2025.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Foreign, Commonwealth and Development Office:

(1) the resources authorised for current purposes be reduced by £595,921,000 as set out in HC 1676,

(2) the resources authorised for capital purposes be reduced by £228,252,000 as so set out, and

(3) a further sum, not exceeding £6,190,000, 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.—(Taiwo Owatemi.)

1.52 pm

Sarah Champion (Rotherham) (Lab): I thank the Backbench Business Committee for granting a debate on this topic, which takes place at such a crucial time for the Foreign, Commonwealth and Development Office. I also take this opportunity to thank FCDO staff for their ongoing efforts to support British nationals caught up in the conflict in the middle east.

Over successive Governments, we have seen a sustained reduction in the United Kingdom's development budget, ODA—official development assistance. First we saw the cut from 0.7% to 0.5% of GNI, and there is now a stated path towards 0.3% by 2027. It has also been reported that the UK's international climate finance commitment is now to be slashed by £2.6 billion. Those cuts have consequences: they affect how the UK is perceived internationally, as well as our ability to support stability and prosperity, both overseas and in our own country.

Aid has always been a highly cost-effective way of preventing conflict and reducing pressures that eventually reach our own borders. It allows girls to be educated, women to work, farmers to feed their communities, and disease to be challenged and contained. It also allows civil society to hold Governments to account. It is our soft superpower, and its benefits must not be underestimated.

The FCDO, as the past weekend proved, is constantly dealing with fast-shifting geopolitical sands. In this current financial year, as part of the FCDO's supplementary estimate, we see further cuts to both day-to-day and investment spending, both of which have reduced quite dramatically—day-to-day spending by £457 million, and investment spending by £228 million. Most of these cuts are focused on the ODA budget, although Parliament has not yet been provided with details showing exactly where these reductions will fall.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady—a champion by name and a champion by conviction. We are very pleased to see her in her place, and we thank her very much for what she does.

I sometimes think there are opportunities for partnerships. For instance, churches in my constituency have very active partnerships in Zimbabwe, Malawi, Swaziland, Kenya, Uganda and Nigeria, so there is perhaps a way of partnering with church groups, non-governmental organisations and individuals that have an interest in helping. Does the hon. Lady feel that the Minister and the Government should take that on board and look at it?

Sarah Champion: I thank the hon. Member for his kind words and for expressing that sentiment. Of course, faith communities do so much internationally, because it is the right thing to do, but they should be complementing what Governments are doing. At the moment, we know the scale of the cuts, but we do not know the distribution—it is not fair to be looking for philanthropic kindness to fill those gaps.

We know that reductions are taking place, but we do not know which programmes will be impacted. That is not just us in this House but the people on the frontline trying their very best to deliver these programmes to the very poorest.

Chris Vince (Harlow) (Lab/Co-op): I appreciate that my hon. Friend's answer to this question may well be that we do not know, which I think is the point she is making, but I have asked the Minister a number of questions about the UK leading on the eradication of polio, and I have actually received some very good answers—I am not just saying that because he is in his place. How reassured is my hon. Friend on that issue?

Has she asked the FCDO about the need to ensure that the UK remains a leading player in the eradication of polio worldwide?

Sarah Champion: I thank my hon. Friend for raising that issue. Polio is one of the success stories to show what can happen when countries work together, and we have almost completely eradicated it—I think we are at 99.98%. I urge the Minister not to step away from that programme.

The FCDO has indicated that more information will soon be released about such programmes, including the eradication of polio, that will set out ongoing further funding for ODA projects. However, at present we must be realistic. Members are being asked to vote on billions of spending authority without having that complete picture, which greatly limits our ability to assess the real-world implications of the Government's decisions. This uncertainty has consequences for long-term partnerships, humanitarian operations and communities that are relying on our support.

The estimate also raises questions about staffing and our capability. Crises from Sudan to Gaza, and from the horn of Africa to Ukraine and, of course, the middle east, require experienced personnel and effective programme oversight. Any reduction in FCDO staffing risks weakening the Department's ability to deliver and evaluate programmes effectively.

In this context, the fact that the FCDO faces cuts to its headcount seems incredibly short-sighted. A major restructure is ongoing right now, and it is expected to reduce the workforce by 15% to 25%—we do not know and, unfortunately, the staff do not yet know. The failure to produce and share a workforce plan or equalities impact assessment does little to reassure me that the FCDO has sufficiently engaged the staff or unions in its restructuring, or that it has considered the implications of staffing reductions on its ambitions for ODA. There are unanswered questions about the FCDO's ability to retain sufficient expertise and manage its complicated portfolio with such a tight funding envelope.

Mr Calvin Bailey (Leyton and Wanstead) (Lab): I thank my hon. Friend for her very powerful and pertinent speech. One of the big shifts is from aid to trade, and as trade envoys, we are trying to deliver some of our aid ambitions through trade relationships. However, if we just do not have the people available, there is no way that we can make that shift. I know that she has already started to talk about the importance of ensuring that we have people present, but can she elaborate on the importance of retaining them in the country so that we can deliver the transition that we expect to see?

Sarah Champion: My hon. Friend is absolutely right. Of course, we have FCDO and trade staff working together to support the work that he and many others are doing. Trade is fantastic—it is something that we support. I support British International Investment, which I will come on to in a moment, but it is not something that can stand alone. Our ODA money is there to support the very poorest in the world, to enable them through training, education and entrepreneurial skills to get to a point where we hope they can be a trading partner with the UK.

Jim McMahon (Oldham West, Chadderton and Royton) (Lab/Co-op): My hon. Friend makes a very important point about how we develop communities and individuals. Does she agree that co-operatives have an important role to play in economic development, as they not only create jobs but give people a stake in the future of those jobs?

Sarah Champion: I absolutely agree with my hon. Friend. The only way that I am aware of co-operatives starting is by groups of local people coming together. That is what FCDO and ODA money is particularly good at doing—supporting civil society. I mentioned holding Governments to account, but of course, the economic empowerment that comes from communities being involved in the development of their own countries is something that we have supported so well for decades. I really hope we are able to continue to do so.

One concern I have is about the money that will likely be spent on staff redundancies that would be much better spent on furthering British priorities overseas. Of course, there are also pressures on the wider network of institutions that further the UK's interests overseas, such as the British Council and the BBC World Service. Those institutions play a really important role in projecting the UK's soft power, and require stable and predictable funding. Although more funding has been provided in the supplementary estimates, this follows a long period of damaging uncertainty, which has really weakened our hand.

Inadequate transparency over aid spending has been a persistent theme for the past few years. I am proud of the work my Committee has done to shine a light on where aid cuts have fallen and the impact they have had. I am also extremely grateful to the excellent support provided in this task by my Committee staff and the House of Commons financial scrutiny unit, but we do not do this work alone; independent scrutiny bodies such as the Independent Commission for Aid Impact play a central role in maintaining transparency and accountability and in ensuring that Members have the information we need. I am deeply concerned that ICAI may be axed as part of these cuts, and I hope the Minister can reassure us that I am wrong about that.

This estimates debate sits within a broader shift in the UK's aid strategy towards investment-led development, which is evident in nearly £0.5 billion funding for British International Investment this year. BII's model is built on long-term investments rather than rapid humanitarian response, but that raises questions about the breadth of our development portfolio, and whether we are still there to help the poorest of the poor if we do not have the other support that underpins BII.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): I thank the Chair of the International Development Committee for her opening remarks, and I echo the sentiments of the hon. Member for Strangford (Jim Shannon). Does she agree that it was extremely disappointing that the previous Government, and indeed this Government, did not follow the recommendation of the International Development Committee that there should be someone from the Foreign, Commonwealth and Development Office on the board of BII—not to make investment decisions, but to ensure it is aligned with Government strategy and policy?

Sarah Champion: I thank the right hon. Member, my fellow Committee member, and I share his sentiment. For those who do not know, BII is our development bank. The FCDO is its sole stakeholder, and it does seem very short-sighted and out of line with other international development banks that we do not have a seat on the board, even if it is a non-voting seat. I urge the Minister to consider that report of the Committee and its recommendations. I recognise the truly excellent work that BII does, but it is a strategy—

Noah Law (St Austell and Newquay) (Lab): Will my hon. Friend give way on that point?

Sarah Champion: I will of course give way.

Noah Law: I declare an interest as a former employee of BII. Might I gently share my disagreement with the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) and my hon. Friend the Chair on this point? Although it is incredibly important that our development finance institutions adhere to the FCDO's strategy, my personal experience is that politicisation of some of these state-backed financial institutions can end up with them lurching to and fro. Does my hon. Friend share some of my concerns about the potential for that kind of political influence over some of these institutions?

Sarah Champion: I share my hon. Friend's concern. I do not agree with him on the board point, but if we look at the countries that BII was asked to focus on under the last Government, it is clear that political interference—if we want to call it that—is alive and well. I agree that when we invest in organisations, we should trust them to do their job, but that requires scrutiny, so again, I will be very concerned if ICAI is cut. I will move away from BII now.

Today's debate gives Members a crucial and timely opportunity to influence the Government's approach to funding for the FCDO and overseas aid. We face a combination of a diminished budget and a change of strategic direction, all happening at a time of unprecedented global need. Parliament must insist on clarity about where cuts will fall. We must also insist on reassurance that development expertise will be protected and confidence that the United Kingdom's aid spending remains focused on reducing poverty, supporting development, humanitarian need and contributing to global stability. This House rightly places a premium on transparency, accountability and value for money. Every pound now matters more than ever, and let us be reminded—as I frequently am—that it is the taxpayer's pound that we are overseeing. Although our formal powers to amend the FCDO's spending limits are limited, debates such as this allow us to exert influence and have our say at a pivotal moment in the UK's foreign policy. I know that my colleagues in the House will use this moment wisely.

2.6 pm

Sir John Whittingdale (Maldon) (Con): I am very grateful for the opportunity to debate the future spending of the Foreign Office. The Foreign Affairs Committee, which I sit on, shares the concern expressed by the hon. Member for Rotherham (Sarah Champion) about the impact of the settlement, which will result in significant reductions in headcount within the Department. We have tried in vain to discover exactly how that will impact on

its different activities, but at a time when the world is becoming an ever more dangerous place and when the need for British diplomacy and soft power is increasing, it seems utterly extraordinary that we should be cutting back spending on the Foreign Office.

I fully support the Government's ambition to increase spending on defence—indeed, I press them to go further—but soft power is as important as hard power. That is the area in which this country has built an extraordinary reputation for effectiveness, yet we are potentially going to cut it back exactly when it is needed most. Will the Minister say specifically what the future is of the Soft Power Council, which was set up by the previous Foreign Secretary and was something I strongly welcomed? The Foreign Affairs Committee took evidence about the work of that council, but it has gone very quiet in recent months, and I hear disturbing rumours that it is no longer regarded as a priority by the Department. I hope that in his response, the Minister will be able to assure me that that is not the case.

I want to touch on three areas of Foreign Office funding. The first, which was mentioned by the hon. Member for Rotherham, is the BBC World Service. The need for reliable, trusted information around the world is greater than ever before, yet we are seeing America withdraw from that. Voice of America, Radio Free Europe and Radio Free Asia have all been cut right back, leaving a gap that I was told this morning is being filled by Russia and China. That makes the BBC World Service even more important as virtually the sole reliable source to which people can turn, yet I understand that it has still not been told how much money it will get in 2026-27. I was allowed to attend the Public Accounts Committee a few weeks ago when the director general of the BBC and the director of the World Service told us of the impossibility of planning ahead in such circumstances. Here we are, just a few weeks before the beginning of the financial year, and they still have not been told. I ask the Minister to confirm whether the BBC World Service can find out how much it will get, and I also press him to increase that money.

Originally, the BBC World Service was told that it should plan for a real-terms freeze or a possible cash cut. That comes at the same time as the licence fee is under pressure and the BBC is reducing its contributions to the World Service through the licence fee. So the World Service is subject to a double squeeze. I have considerable sympathy for the World Service, but the right mechanism of funding is through the Foreign Office, and I support the BBC's request that the Government consider returning to the position of the World Service being fully funded by the Government.

Secondly, I want to touch on the British Council, which we know faces huge challenges, principally as a result of the loan that was advanced to it during the time of covid. Unlike many other organisations that were given loans and not required to repay them, the British Council is being required to repay the loan even though it appears to have almost no prospect of being able to do so. At the moment, the British Council's outgoings are greater than its income, so it cannot pay the loan and nor is it viable.

I thank the Minister for the briefing that I and the Chair of the Foreign Affairs Committee have been given about the future of the British Council, and I urge him to press ahead with drawing up a plan that will

both meet the existing challenges and set out a route forward that will put the British Council on a firm footing. It does incredibly important work, especially in those parts of the world where malign forces seek to influence democratic elections and people's attitudes.

Mr Calvin Bailey: The right hon. Gentleman makes a powerful point about the British Council and the work that it does. Much of that work is required to counter malign Russian and Chinese influence. There are a number of countries that are desperate to get out of the grasp of China and would like to have greater friendship with us. To do that, they are trying to encourage a shift in the culture and how their young people engage, and that is delivered through the British Council and English language training. Does he agree that some of the value of that training is not necessarily seen directly and should perhaps be assigned to security and defence?

Sir John Whittingdale: The hon. Gentleman makes a fair point. He is right about the importance of the work, which is not always fully visible, including in established countries—I have a particular knowledge of and interest in the Baltic nations, which are on the frontline against Russia. Latvia especially has a Russian minority population that is subject to a constant barrage of attempts by Russia to influence it. That is an area where the British Council is very active, and I am concerned by reports that it may be forced to withdraw from its activities in the Baltic nations. As the hon. Gentleman rightly says, Russia and China are active in other countries that are of huge importance strategically but at risk of tipping back into the orbit of hostile powers. The British Council can play an important part in seeking to prevent that.

Mr Bailey: That is a very good example, but there are also examples that are far from the frontline against Russia. Some of the countries in Africa actively need our help—aid and other contributions—to get away from that influence. We should actively support countries such as Gabon, which is trying to be a strong Commonwealth partner, and Mozambique, despite English not being spoken as widely there.

Sir John Whittingdale: I completely agree with the hon. Gentleman. Africa is of huge importance, and if ever we needed a reminder of the risk posed to the values we hold dear from hostile powers, in particular China, we had a perfect demonstration in the statement earlier today.

Thirdly, I want to touch on media freedom, which I am delighted that the Minister has specific responsibility for. I welcome the commitment he has already shown to it. The Media Freedom Coalition was established under the last Government by the then Foreign Secretary, my right hon. Friend the Member for Godalming and Ash (Sir Jeremy Hunt). It is great news that the Foreign Secretary was able to announce in Munich recently that the UK will take back the chair of the coalition. It is even more important today than it was when it was set up. I hope that taking back the chair will not just be symbolic but matched by a real commitment to promoting media freedom, which is under huge threat in a wide range of countries. We have seen journalists threatened with imprisonment, harassed and, in some cases, murdered. The UK has a very important role to play in promoting

media freedom and taking a lead on such things as the introduction of visas for journalists who are under threat and sanctions. I was pleased to see that we have just placed sanctions on Georgia—*[Interruption.]* You suggest to me that other Members wish to speak, Madam Deputy Speaker, so I will just say that I hope the Minister will be able to say more about those three areas in his response.

Several hon. Members rose—

Madam Deputy Speaker (Ms Nusrat Ghani): Order. If colleagues could keep their contributions to under 10 minutes, it would help other Members. I call the Chair of the Foreign Affairs Committee.

2.16 pm

Emily Thornberry (Islington South and Finsbury) (Lab): I begin by paying tribute to the strength and bravery of FCDO staff in the middle east. They are giving support and guidance to hundreds of thousands of Brits who are stranded, scared and desperate to return home. There are so many lessons to learn from what is happening in the Gulf at the moment, but for the purposes of this debate, the lesson we should learn is the vital importance of the Foreign Office. It is not all about wearing linen and drinking gin under jacaranda trees—*[Laughter.]* I have done it. It is a great deal of hard work and it is very important that we recognise that. It has never been harder—look at what they are having to deal with now.

I heard on the radio a few days ago an interview with a 21-year-old who went to Dubai to celebrate her birthday. She was there by herself, and she was clearly really frightened, but the embassy will look after her and, I hope, it will get her home to her mother. It is our brave Foreign Office staff who have to step up at times like these. I am sure that they must also be terrified, but they will get this girl back. They will have to call in favours and rely on relationships that they have developed over years. They will rely on relationships and the credit that they have in the bank because of their professionalism and their work on behalf of our country. They cultivate relationships and use that strength, and hundreds of thousands of Brits in the Gulf will rely on that professionalism in the next few weeks and months.

Those staff will be acutely aware that they are also charged with attempting to sow the seeds for peace in the future, and that will also rely on their relationships and their professionalism. They do that knowing that it is important that Britain continues to be a force for good—as we can be at our best. We expect them to work twice as hard, against a background of rumours and stories about cuts to their jobs—25% of them could lose their jobs. It is important for the House to remember the sacrifices that these civil servants make. They do a different job from our armed forces, but effectively through their work they are keeping us safe, and it is important for that to be understood.

I fear that the strategy for the restructuring of the Foreign Office is not very clear. It seems that we are taking a top slice off. The directors are being shorn—there are fewer of them—and they in turn will be expected to cut their staffing by, we are told, about 25%. Let me warn the Minister, who should perhaps reflect on this, that restructuring of that kind is not particularly sensitive

[Emily Thornberry]

to Ministers' priorities. It would appear that we are simply restructuring in order to restructure, while not looking first and foremost at what the Foreign Office is about, what we should be doing, and how we can ensure that we retain the expertise, the knowledge, the connections, the best people, in order to deliver those priorities. I fear that we will yet again undermine morale in the Foreign Office. I could go into one of some of the reasons why, under the last Government, Foreign Office morale was gravely undermined. This is not the place for that, but I do not want us to do it again ourselves.

Given the limited time, I will not go into any more details, but let me say this. I share the concern expressed by the right hon. Member for Maldon (Sir John Whittingdale) about the British Council. He has great expertise. We have had private meetings; we have had public meetings; we have had the National Audit Office over; we have sent our own auditors in; we have spoken to the unions. We in the Foreign Affairs Committee are doing everything we can to help the Foreign Office to ensure that the British Council, when it is restructured, is restructured in a way that is for the benefit of our country, the benefit of our culture and the benefit of soft power. "We are watching you carefully"—that is all I am saying at this stage.

I will now move on, given the time that I have left—I have promised myself to give myself full range until you stop me, Madam Deputy Speaker. I want to talk about one of the most important things that we do as a country, which is supporting the BBC. Across the world, countries are using huge amounts of money every year—China and Russia are spending £8 billion on their global news platforms—to spread lies. We have, against that Goliath, the David that is the BBC. The advantage the BBC has is that it is a badge of truth, like no other organisation. Other countries would just die to have what we have. We have the BBC; we have the World Service. People change to the World Service from other channels. When a war has been called, they say, "Let us hear what the BBC is saying," because they want to hear the truth, not just the nonsense and the spin.

What are we doing at this time when there is a new type of warfare that is not about guns and not about tanks rolling over the hills, but about the war for people's minds? The war for people's minds is about the promotion of lies: that is the new type of warfare, and we are so complacent about it. We are not sufficiently alive to the amount of manipulation that is going on. We are allowing this jewel, this gift that Britain could give the world, to diminish. Why are we doing that? I personally feel that it is not just a matter of ensuring that the funding for the World Service is not cut. I would say, particularly if our presence in Africa is to be diminished—as it unfortunately will, given what is happening to our aid budget—"At least let those countries hear a bit of truth, and let it be promoted." It is not as if we were nothing. I do not want to overstate this, but we are already communicating with 313 million people worldwide, which is pretty good. Let us make sure that they all have an opportunity to hear what it is that the BBC can do. The new fact-checking unit is second to none, and is especially important at times like this, when it is able to crack the lies so that people can see the truth.

Sir Julian Lewis (New Forest East) (Con): I absolutely endorse everything that the Chairman of the Foreign Affairs Committee has said about the BBC World Service. Will she, in the time available, make a brief comment about its sister organisation, BBC Monitoring? That monitoring service used to receive a modest ringfenced grant from the Foreign and Commonwealth Office, as it then was, but that was done away with, and it is now entirely dependent on the BBC's wider organisation for its funding. Is not the restoration of that dedicated ringfenced grant for BBC Monitoring, which filters all the most interesting comments that other countries' broadcasters are making, long overdue?

Emily Thornberry: I do not think I need to repeat the points that the right hon. Gentleman has made, and made very well. Perhaps I could mention another specific service: BBC Persian, which is particularly important at this time. It is doing incredible work. It is sharing vital, lifesaving information with millions of Iranians who are suffering right now during internet blackouts. It is BBC Persian that is doing the fact-checking. It is a source of truth. It is an independent voice. It is not propaganda. If we want to understand its effectiveness, we need only bear in mind that the regime absolutely loathes it. If we require a badge of truth and a gold star, that alone must be sufficient. Why are we not supporting BBC Persian? And why did the Arab radio station that was broadcasting in Lebanon get cut? Guess what? Sputnik took over the airwaves immediately afterwards. What are we doing? What is the matter with us? This must surely be a priority.

I see your beady eye on me as I speak, Madam Deputy Speaker, so let me end by giving what I think is the best example. I have been told that BBC usage is growing in the fringes of China—in the countries around the edge of China—more than anywhere else, through TikTok accounts. What story does that tell us? It tells us that young people want the truth and are desperate to find it, and they are doing that in the way young people do, through TikTok—but they go to the good old BBC.

2.27 pm

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): Let me begin with a very specific request to the Minister, which I hope he will be able to grant. My request is for a continuing commitment to Abercrombie House in East Kilbride as the FCDO's second headquarters. The Government scrapped plans to build a new headquarters in Glasgow, and have so far confirmed that they are staying at Abercrombie House. However, as the International Development Committee has heard, that building requires significant investment, and at a time of such significant cuts in the FCDO budget and, obviously, staffing changes, there is concern about whether this will actually be done.

As a member of the International Development Committee, I now want to turn to the issue of official development assistance and development finance. As the *Financial Times* has reported, recent analysis from the Centre for Global Development reveals a startling reality: that this Labour Government are presiding over cuts in our overseas aid budget that are not only deeper but faster than those being implemented by the Trump Administration across the water. I cannot believe that that was the objective of a Government who said that they wanted to achieve global leadership in these matters.

I understand the necessity of financial discipline, and, of course, the funding pressures with which the Treasury is wrestling, even if some of them are self-inflicted. I have often argued in the House that we must be pragmatic and strategic with our development resources, looking for where we can make the best and most profound difference. I agree with the Chair of the International Development Committee, the hon. Member for Rotherham (Sarah Champion), that scrapping ICAI, which is monitoring how we obtain value, is the best way to achieve that. There have been some very significant ICAI reports, including the 2020 report that dealt with the extent of the value the Government obtained from investment in nutrition for every pound that was spent. As a champion of nutrition, I have long supported the Child Nutrition Fund. With a relatively modest investment from the UK Government, the fund can leverage philanthropic and private capital while mobilising domestic resources to dramatically improve the wellbeing of millions of women and children. In my view, the child nutrition fund meets the test of public expectations for ODA funding: it puts food in stomachs and jags in arms.

Because I realise that we are in a changing world, I have also supported the IDC's inquiry into the future shape of aid. We recognise that things will have to be different, but we want to see leadership from the UK Government in this regard, and we want to see a plan. When the UK Government are slashing development spending by some 27% by 2027—outpacing the reduction proposed in Washington, as I have said—one must ask: how does this stack up against other Government objectives, and where is the plan? Whereas the US Congress has acted as a vital check, I see little of the same approach here in the UK, despite the very best efforts of the International Development Committee. As I have said before, if cuts have to happen, they need to be thought through, and that thinking needs to come prior to the cutting. Sadly, that has not been the case. Unless the Minister pulls it out of the hat at the end of this debate, there is no evidence of a plan.

Reductions in ODA were announced over a year ago, but the UK's future of aid conference will not take place until May this year—if at all, I suspect. In the meantime, services that could be put on a sustainable footing through new and innovative approaches, or through being transferred to capable local partners, are falling over. The change in US policy has significant ramifications, which we should address now, particularly the withdrawal of funding for LGBT and family planning issues. This is most certainly not the time for the FCDO to cut its LGBT budget, as the Elton John AIDS Foundation, among others, has highlighted. We are told that the reductions are to fund our defence capabilities against Russian and, indeed, Iranian aggression. However, the Government must be careful not to create a vacuum of influence and allow malign actors to move in while we do this, as others have already highlighted. One need only look at the example of Russia's Wagner Group and its operations in Africa, particularly around critical minerals.

As co-chair of the all-party parliamentary group on HIV/AIDS, I want my final remarks to focus specifically on the impact of the changes on the fight against HIV/AIDS. I particularly commend *The Independent* newspaper and its correspondent, Bel Trew, for highlighting some of these issues. Last November, I was pleased to

welcome the Government's pledge of £850 million to the Global Fund to Fight AIDS, Tuberculosis and Malaria. At a time of tight resources, it offers real value for money by dealing directly with devastating and widespread diseases, but also by building capacity in the health systems of partner countries. The fund can be a crucial pathway to ending dependency, but although £850 million was welcome, it was none the less a £150 million reduction from 2022, and it was also coupled with uncertainty for other organisations, such as the Robert Carr Fund, Unitaids and UNAIDS. The One Campaign expects the shortfall to result in a very tangible 250,000 additional deaths and 1 million new infections. Here in the UK, the Government's ability to reach our own target of zero new transmissions by 2030 would be imperilled by rising rates of HIV elsewhere. The UK's life sciences and pharmaceutical sector—for which the Global Fund, among other organisations, is such an important partner—will also suffer.

What that tells us, as we have heard already, is that the reductions come at a cost, particularly if they are not thought through. They come at the cost of influence, the economy and, sadly, lives. At the end of this debate, I want to hear from the Minister what the Government's plan is. Everybody understands that there will be reductions, but they must be on a planned basis.

Madam Deputy Speaker (Ms Nusrat Ghani): There is now a speaking limit of seven minutes.

2.35 pm

Noah Law (St Austell and Newquay) (Lab): The Government are cutting our aid budget by a third, from 0.5% to 0.3% of gross national income, by 2027—the steepest reduction in a generation, driven by the defence spending review. Much has already been said on this matter, and I am not here simply to oppose the cuts or argue that, in the current climate, we must instantly reverse them. Perhaps it is precisely the right moment in the arc of economic history to ask how we can do more with less, what we are actually buying with this money, and how we can get to the point at which we can say, hand on heart, to our constituents that we know the impact of our spend.

The FCDO's stated aim remains

“alleviating poverty and stabilising countries to enable them to go on that journey themselves”.

That is the right ambition, but the model we have used to deliver that has been confused for far too long. We often hear of the financing gaps—the trillions that must be filled to meet the sustainable development goals and to overcome the challenge of climate change—but the reality is that overseas development assistance cannot so much as touch the sides in all this.

Furthermore, we know that our developing country partners across the world primarily want investment, not aid, and partnership, not paternalism. To unleash that investment, we must ensure that we level the financial playing field and build capital markets, both public and private, that ultimately drive growth and prosperity in those countries. Global debt reform, an area in which the City and the English courts could play a globally leading role, is just one of many ways in which we can strengthen the macroeconomic stability and financial capacity that these countries so desperately need.

[Noah Law]

Less aid need does not mean less investment overall; it means that we can no longer afford the luxury of, at worst, waste and, at best, a misallocation of resources. When done well, investment means trusting local knowledge, building local institutions, and empowering local businesswomen and businessmen, who are ultimately responsible for delivering economic growth that sustainably lifts people out of poverty.

Matt Rodda (Reading Central) (Lab): My hon. Friend is giving an excellent speech, and some powerful points are being made. Does he agree that many development charities have made these points for some time, including Oxfam, the Catholic Agency for Overseas Development and many others? In their experience, this is a well-known approach.

Noah Law: I greatly welcome the advocacy work of the charities that my hon. Friend mentions, as well as the grassroots work of charities, which are increasingly not funded directly by ODA. I welcome the work that they do; it is really important that we build a coherent view of the financing, investment and donor ecosystem that we need to work within this constrained world.

As I have suggested, I very much welcome our Government's shift from donor to investor, but I have a question for the Minister. At a time when we effectively have an in-built bias towards capital investment over resource spending in our Government's fiscal policy, why are we not able to go further in capitalising on some of the very institutions that we know will deliver on the development and climate goals, and in helping to mobilise the vast sums that we know are needed to develop the world's poorest economies? That capital could return to Britain's public coffers, so that it can be put to future use.

First and foremost, overseas development aid must be allocated to problems that investment cannot solve, be they the world's worst humanitarian crises or investment in public goods, such as climate adaptation, which cannot easily be monetised yet can save billions of dollars-worth of damage to some of our most climate-vulnerable countries around the world in the long term.

At a time when we have been considering cutting ICAI, why are we looking to create new bodies such as the ODA delivery board and the new Soft Power Council, rather than working to embed rigorously or incorporate better the assessments of value for money—an explicit, albeit qualified, return on our goal of raising the number of people lifted out of poverty for every £1 spent—in every aspect of the FCDO's development work, so we can say to our constituents, hand on heart, that beyond all doubt the money is well spent, and show that, despite the smaller sums, the money is going further every year?

Let us be partners, not patrons; let us invest smarter, trust deeper and step back a little further where necessary; and let us measure success not by how much we give, but by how little is eventually needed.

2.40 pm

Brian Mathew (Melksham and Devizes) (LD): I have to declare an interest. Before coming to this place, I had a 30-year career as an aid worker, working in WASH: bringing water, sanitation and hygiene to some of the poorest people on the planet—so, yes, I am passionate about this issue, and I make no apologies for that.

A number of sectors have been assisted by UK aid—from girls' education, health, nutrition and climate finance to disaster and war mitigation in places such as Gaza and Sudan. Since I was elected, I have had the privilege of serving on the International Development Committee, so I have had a chance to hear about the results and implications of the cuts to our aid programme, and indeed to USAID, which has been virtually destroyed, to the shame of the US Administration and the President.

Let me say a few words about the sector I know best. Even prior to the recent cuts, things have been bad for WASH. Between 2018 and 2023, the UK's annual budget for water, sanitation and hygiene was slashed by 82%, from £206 million down to just £37 million a year. Currently, WASH represents a mere 0.71% of our bilateral aid, and I hate to think what will be left after the latest cuts are announced. In my opinion, at a time of rising humanitarian crises and need, with growing instability globally, this is not just short-sighted, but indefensible.

We cannot ignore the global water crisis: 2.1 billion people—one in four—lack access to clean water, 3.4 billion do not have a safe toilet and nearly 400,000 children under five die each year from diseases caused by unsafe water and poor sanitation. These are preventable tragedies. WASH is one of the most cost-effective ways for the UK to deliver on its international aid priorities. WASH is not peripheral to these priorities; it is foundational. It underpins progress right across the sustainable development goals, including those on health, education, gender equality and climate action. Without clean water and sanitation, children miss school; women and girls spend hours each day collecting water, limiting their education and economic opportunity; and healthcare systems cannot function, while two in five healthcare facilities globally lack basic hygiene services.

Investment in WASH is investment in global health security. It reduces the spread of disease, strengthens economic productivity, builds resilience to climate shocks and delivers long-term sustainable impact. The UK has historically been a global leader in international development, but continuing this legacy requires consistency and vision. Safe water and sanitation are not luxuries; they are the foundation on which health, prosperity and stability are built. I urge the Government to restore all aid funding, especially for WASH, and to embed it firmly within all our priorities. In doing so, we will not only save lives, but uphold the values and the global leadership that this country has historically championed—in three words, our soft power.

2.44 pm

Janet Daby (Lewisham East) (Lab): I thank the Chair of the International Development Committee, my hon. Friend the Member for Rotherham (Sarah Champion), for securing this timely debate. I also thank the Clerks of the Committee, on which I serve.

It goes without saying that we live in unprecedented times. Internal conflicts are driving insecurity worldwide, and the effects of the climate crisis and other global conflicts overshadow us. The Foreign, Commonwealth and Development Office has as complex a job today as it has at any time in the past century. In this debate, I wish to focus primarily on official development assistance spend for women, peace and security, and in the latter part of my speech on Sudan.

Last year marked the 25th anniversary of the women, peace and security agenda, which the Government recognised by refreshing their approach to WPS. This is welcome, but it is concerning that an FCDO equality impact assessment published last September confirmed a 25% reduction in WPS projects. There is continued support in full for Ukraine, Sudan and Syria, but that means women outside those conflict zones will be at risk. As Lord Ahmad told the International Development Committee, this will have “devastating consequences” for programmes under the preventing sexual violence in conflict initiative. Sexual violence in conflict or war is disturbing and, indeed, abhorrent, and everything must be done to prevent these types of perverse and evil acts of war.

The UK’s financial support for WPS is about preventing sexual violence, but it goes further. The UK has a programme that assists women’s peacebuilding organisations, enabling them to participate in negotiations and other diplomatic activities, which allows women’s voices to be included. However, it is estimated that up to 50 women’s groups will be disadvantaged because of ODA cuts. In 2023, UN statistics show that just 9.6% of negotiators, 13.7% of mediators and 26.6% of signatories to peace and ceasefire agreements were women. Some delegations in conflicts, such as those of Libya and Yemen, contain no women at all. The UK has an important role to play in supporting women into these vital roles, allowing women affected by conflict to speak for themselves rather than depend on the voices of men or external powers.

Before I move on to Sudan, I want to talk about the girls’ education for South Sudan programme. South Sudan has faced an influx of 2 million Sudanese refugees, putting pressure on schools; many have more than 100 children in a classroom. The UK’s participation in the girls’ education for South Sudan programme has helped many girls to get into school, but the project is facing a 90% cut. That is a worrying concern for Sudanese families and Government leaders.

As the Foreign Secretary said last month, Sudan represents

“the worst humanitarian crisis of the 21st century.”

In January, the conflict between the Sudanese armed forces and the Rapid Support Forces passed 1,000 days, and 30 million people need lifesaving assistance. Although Britain is making cuts to ODA spending, it is welcome that Sudan remains a focus of British spending. In December, the Foreign Secretary announced an additional £21 million for food, shelter, health and services, on top of the £146 million already committed. According to the FCDO, that will support over 800,000 people.

On the effects of the conflict on children, according to an IPC—Integrated Food Security Phase Classification—alert published last month, 30% of children aged six to 59 months are suffering from acute malnutrition. That means that the funding is but a drop in the ocean, covering barely 2.5% of the people who need assistance. With ODA cuts across the world, the risk of vulnerable people losing access to lifesaving assistance is increasing. The Government must do all they can to work towards reinstating ODA spend to 0.7%, and to work for international grassroots organisations as well as Governments internationally.

Finally, it goes without saying that negotiations are needed to end conflict and that that must remain a top objective. As conflict erupts in the middle east, we must not forget the devastation beyond our comprehension that Gaza has faced, particularly in the last three years, and a Palestinian state must of course be rebuilt without the influence of Hamas.

2.49 pm

Edward Morello (West Dorset) (LD): I am sure I am not alone in having been contacted by constituents trapped in the middle east or by those further afield who were hoping to transfer in the middle east on their way home. I am extremely grateful to all the FCDO staff around the world who are helping them out. It has brought into stark relief the fact that, in an unstable world, diplomacy and our diplomatic footprint has never been more important. The people, embassies, development expertise, aid, investment and political relationships we maintain across the globe are so important for our national security, our economy, the future of our planet and what Britain represents.

The latest funding settlement for the FCDO moves us in the wrong direction. Day-to-day spending is being reduced by £457 million—a 5.3% cut; the second highest cut for any Department, behind only the Home Office. Capital investment is down by £228 million—a 66.6% reduction; again, the second highest cut for any Department, apart from the Ministry of Housing, Communities and Local Government. Demand-led spending is dropping by a further £139 million, or 25.7%. These are sweeping cuts across the board, aimed disproportionately at the FCDO. They are why the FCDO has been forced into a restructuring process that may lead to the loss of nearly 2,000 jobs. These are significant reductions that come at a time when the world is becoming more and more volatile. If we continue in this way, our diplomatic presence will shrink not because of strategy, but because of budget constraints and Treasury spreadsheets.

We are no longer operating in a stable rules-based system dominated by one predictable power. We are moving towards a more fragmented, multipolar world. Middle powers are increasingly working together issue by issue on defence, trade and climate, rather than relying on a single hegemon to set the direction. As Canadian Prime Minister Mark Carney said in his powerful speech at Davos, middle powers must act together or risk being “on the menu”. For countries like the United Kingdom, the shift is important and it requires huge amounts of diplomacy and the use of our soft power on the world stage. Great powers can act alone. They have the market size and economic leverage to do so. Middle powers cannot. We rely on relationships; we rely on credibility; we rely on co-ordination with those who share our values; and we rely on diplomacy. That is precisely why FCDO funding is so important.

We invested heavily, both politically and financially, in our relationship with the United States, but we should be honest about the returns on our investment when the President does not share our values. When tariffs are imposed on British businesses and working families during a cost of living crisis, when trade decisions affect our farmers and our food standards, when strategic choices are made without our meaningful input, and when economic clout is used as leverage, it is reasonable to ask whether our limited diplomatic resources are

[Edward Morello]

being used in the most effective way now that the weakness and fragility of our relationship have been exposed.

Emily Thornberry: The hon. Gentleman is making a really good speech and until a moment ago I agreed with everything he said. Does he not agree that our relationship with the United States goes far beyond any leadership? It goes very deep. During the visits the Foreign Affairs Committee has made, we have met people from many different aspects of the United States. They are good friends of ours and we need to ensure that we keep those relationships close.

Edward Morello: I thank the right hon. Member—I have the huge privilege of serving under her chairmanship of the Foreign Affairs Committee. I do not disagree that the British relationship with the United States goes far beyond the current occupant of the Oval Office. I am extremely grateful for the depth of our relationship, especially on intelligence matters. However, in a situation where funding is constrained, we should focus more clearly on reliable partners, European allies and other middle powers who share our goals on defence, trade, climate and the rule of law.

We are increasing defence spending. It is not as quick or by as much as the Liberal Democrats would like, but there is an increase. It is necessary, but it should not come at the expense of the FCDO. Defence and diplomacy are not alternatives; they are two sides of the same coin. Hard power without strong diplomatic engagement limits our ability to prevent crises before they escalate. The Prime Minister himself said just this week, in his statement on Iran, that we must

“eliminate the urgent threat, prevent the situation from spiralling further, and support a return to diplomacy”

because that is

“the best way to protect British interests and British lives.”—[*Official Report*, 2 March 2026; Vol. 781, c. 585.]

If diplomacy is the best way to protect British lives, why are we cutting the funding to the very Department charged with delivering it?

We are living in a world where over one weekend global markets and alliances can shift, and energy bills and food prices can skyrocket, all because of the decisions of one person or one social media post. That is why we must stand up for international institutions and co-operation, not cut funding for the Department that facilitates it. In my time on the Foreign Affairs Committee, I have been consistently struck by the quality of the people who represent us overseas. They are capable, committed and brave, and are often operating in extremely difficult environments. But that capability requires resourcing. If posts are thinned out, if programming is cut back, if estate maintenance is delayed, our ability to influence outcomes diminishes. If we want to secure trade deals that support growth at home, we need negotiators with time and presence to build trust abroad. If we want deeper co-operation with European partners, we need sustained diplomatic engagement. If we want to prevent conflict, we need early intervention, development support and political dialogue through the FCDO.

Our current funding direction risks narrowing our options at precisely the wrong time. If we want Britain to remain a serious influential power, we must fund the diplomatic tools that make that possible.

2.56 pm

Fleur Anderson (Putney) (Lab): I am honoured to speak in this debate. I thank my hon. Friend the Member for Rotherham (Sarah Champion) and my right hon. Friend the Member for Islington South and Finsbury (Emily Thornberry) for securing the debate. I worked in international development for many years, specifically on water sanitation and hygiene, so I also appreciated the remarks of the hon. Member for Melksham and Devizes (Brian Mathew). I echo the remarks of my right hon. Friend the Member for Islington South and Finsbury about our strong support for the BBC. I would like to thank all the FCDO staff currently working very, very hard on behalf of my constituents who are in the middle east. The very quick response we have been able to put up, with flights coming in straight away, is commendable. It just shows the strengths and abilities of our embassies across the world, and how important they are.

I am delighted that after years of weakness, isolation and decline in our international standing under the Tories, Britain is firmly back on the international stage, leading on the international response to Ukraine, making the forgotten war in Sudan a priority, and transforming our relationship with Europe—worth mentioning on the day that the FAC released our report on the UK-EU reset.

Lincoln Jopp (Spelthorne) (Con): Does the hon. Lady remember who led on the international response on Ukraine?

Fleur Anderson: This is not a party political issue. We have led on Ukraine for many years and we still are doing so. I am very proud of the role we have played, under both Governments. The Labour Government are now moving forward far further and far faster. I am also proud that we recently signed the global ocean treaty.

This debate is on the spending in the Department. I am concerned about the continuing cuts in aid, and that they are undermining our strong, and growing, international position and undermining our security. I am concerned about the false division that has been put up between defence and development. It is not defence or development. Defence and development are important for our strategic interests and security. Development spending is not charity; it is strategic investment. Our development budget is one of the most effective tools we have for sustaining British influence. Defence and development should not be seen as competing priorities, but I fear that they are seen as such. Defence responds to crises; development works to prevent them. Development underpins our conflict prevention around the world. A defence posture without sustained development investment risks becoming permanently reactive to events. Good development is good defence.

I am very concerned that the FCDO's workforce faces reductions of up to 25%. The FAC has repeatedly asked where those cuts will be made. Which staff? Which programmes? Do the cuts match the priorities given by Ministers? I am concerned that they do not. We are not given the answers that we need to scrutinise

this very big change in our country's priorities, and at a crucial time in international relations that are so important for our security. It is important for my constituents to know what our foreign affairs priorities are and whether they are being matched in terms of staffing and budgets.

This is called an estimates debate for a different reason, but estimating is all we can do as a Committee—if MPs cannot see that the priorities given by Ministers are being backed up by spending and action, we cannot properly scrutinise their work. It is also a real concern for development agencies and local organisations on the ground in the countries where we are working, which are not able to plan their work as they do not know what the spending will be.

In the past year, £500 million has been cut from the ODA budget. Aid to Africa, at the time of the Africa strategy being released, has fallen by £184 million. Support to Sudan has been reduced by roughly 18%, at the very moment it faces the worst humanitarian crisis in the world, despite it being a stated priority.

Global health is also a priority for this Government, and rightly so. As I said, I previously worked in water and sanitation. I went to work for WaterAid before I was an MP because, when I had worked with other aid agencies, I had seen the impact that conflict and water have on a community. With action on both those things, a community can have peace—if a community has the water needed for crops and its health, it frees up girls and women from having to go off to get water; instead, they can go to school. It leads to development and resilience against insecurity, which stops conflict. That is what we should be seeing. However, £550 million has been cut from global health programmes. Let us not forget the lessons from covid.

Some £206 million has been cut from education, gender and equality programmes. There is a 25% reduction in women, peace and security funding, despite a feminist foreign policy being a stated priority. I am glad that the proposed cuts to the BBC World Service have been highlighted as well. We have a huge benefit in our BBC World Service. Trust in this service has built up over decades, and any reduction in that gives space to China and Russia. Cuts to development leave room for the Chinese Government to step in, as I have seen in countries across Africa. Cuts in poverty reduction fuel instability and conflict. Cuts in conflict prevention programmes that have been built up for years, which are locally led and are working, are dangerous.

The 0.7% target was not a vague aspiration, but a manifesto commitment that this party stood on. It remains important for our security. I know that these are difficult times for development spending, but we need to keep talking about that as an aspiration. I am concerned that the official policy of His Majesty's Opposition is now to reduce spending to 0.1% of GDP. I do not know where that will leave our country.

Will the Minister confirm that this Government are committed to the soft power superpower we have in the BBC, to conflict reduction, to the education of girls, to water, sanitation and hygiene, and to global health? Will he confirm that we are committed to working with the poorest countries, not using the move towards investment as a move towards working only with middle-income countries? Lastly, will he confirm that all these commitments will be backed up with funding and our fantastic staff in our embassies on the ground?

3.3 pm

Aphra Brandreth (Chester South and Eddisbury) (Con): Since the last estimates day, the world has grown even more volatile: war continues in Europe, and the middle east is once again descending into crisis. Recent events have underscored that although hard power is indispensable, soft power remains vital to a serious and effective foreign policy, protecting British citizens at home and abroad while sustaining our global influence. It is therefore concerning that we have now seen Britain fall below the US, China and Japan in the global soft power index.

We have heard from my colleagues on the Foreign Affairs Committee today about the importance of the BBC World Service and the British Council to our soft power. In the brief time I have today, I want to focus my remarks on education, which is the essence of soft power; it is about supporting today's young people and shaping the future. That is why I want to focus briefly on Foreign Office support for education in the middle east. Funding education abroad can help to create a more stable world and a more favourable environment for British interests and values. It is a long-term investment, but a vital one, because extremism taught in Palestinian schools run by the United Nations Relief and Works Agency undoubtedly fuelled the hatred and terrorism seen on 7 October.

In 2025, the Government pledged £101 million to the Palestinian Authority under a new memorandum of understanding, including £7 million to support its education reform agenda—and reform is necessary, because there are repeated examples of textbooks that promote violence and indoctrination. Students are shown examples of dead children and told that Israel had deliberately assassinated them; they are told that they will become martyrs at the hands of Israel through turning their bodies into fire to burn a Zionist tank. They are taught physics problems illustrated with slingshots, history framed around the rejection of peace, and literature portraying Israel solely as an aggressor.

If British taxpayers are contributing millions of pounds to this reform, they will rightly expect to know that that money is driving genuine improvements. The Minister may say that changes to the curriculum are being introduced to different grades over time, but even grades 1 to 4 and grade 12, which both the Palestinian Authority and the European Union said were fully aligned with UNESCO standards of peace and tolerance, and from which antisemitic and violent material was supposed to have been removed last September, have been shown to remain virtually unchanged in classrooms today.

The Minister for the Middle East, the hon. Member for Lincoln (Mr Falconer), has said that it is for the Palestinian Authority to say which firm they have hired to audit the curriculum, but with Foreign Office funding being spent on this, surely the Government should know—and, in the interests of transparency, share—who is carrying out that review. Will the Minister therefore publish the methodology and scope of the audit? Will it examine all previously identified grades and materials, both new and existing? Crucially, what benchmark will be used to determine whether the content meets acceptable standards?

If we want moderation to prevail over extremism and co-existence to prevail over perpetual grievance, education must be part of the answer. However, we must rightly ask whether British taxpayers' money is being spent wisely and going towards genuine education reform.

3.7 pm

Yasmin Qureshi (Bolton South and Walkden) (Lab): I refer the House to my entry in the Register of Members' Financial Interests, as I chair the Westminster Foundation for Democracy, an organisation partially funded by the FCDO that works in more than 50 countries to strengthen democracy, Parliaments, political parties and civil society. This year marks its 34th anniversary.

If I could speak to any of my predecessors as chair, from any party, I think they would agree on one point: the challenges facing democracy around the world have rarely been greater. Across many countries, accountability, the rule of law and political inclusion are under increasing pressure. The risk is not simply democratic decline in individual states, but the gradual erosion of the international system that has underpinned stability and co-operation for decades. We see aggressive challenges to democratic values from authoritarian powers and polarisation and disinformation amplified through social media, and we are witnessing co-ordinated attacks on the rights of women and girls.

This matters to us directly at home. As the chief of the Secret Intelligence Service warned in December, the "frontline is everywhere". Hostile states are using cyber-tools, online manipulation and financial influence to distort debate and undermine trust in democratic institutions. The response to that threat cannot rest with security agencies alone; it must include strengthening democratic resilience.

For decades, the United States was the largest funder of democracy support worldwide. Much of that funding has now been withdrawn, with civil society and democracy programmes described as being against the US national interest.

This is not an abstract debate; this is about hardheaded UK security and prosperity. Democracy builds what military budgets cannot buy. Our long-term security and prosperity depend on accountable institutions, trusted Governments, transparency and inclusion. We need partners around the world who share our commitment to rights and the rule of law. Those are the countries in which we can invest with confidence. They are the partners on whom we rely to reduce conflict, tackle climate change and manage the pressures of energy costs and economic instability. If we do not step forward in this space, others will, and they will do so on their terms, not ours.

The Westminster Foundation for Democracy is part of that effort. With an FCDO grant of just £8.5 million, we work with partners in more than 50 countries. Through these programmes, we support more than 1,600 parliamentarians, 2,400 parliamentary staff and 1,750 political party officials. Half of all our participants in work are women. Through the WFD, I have seen at first hand how the UK's credibility, experience and pragmatism can make a real difference to democratic reformers across the world. Crucially, this work is not about lecturing others; it is about partnership. Often we have as much to learn from others as they do from us.

Today's challenges are serious, but they are also an opportunity. The UK's democratic traditions, our commitment to accountability and our global reputation for pragmatic politics remain powerful assets. Defending democracy at home must include investing in democracy abroad. I hope the Government will continue to recognise

the value of this work and ensure that the Westminster Foundation for Democracy has the support it needs to continue strengthening democratic institutions around the world.

Before I finish, I wish to place on record my sincere thanks to all our diplomatic staff across the world. Having been an MP for the past 16 years, a member of the NATO Assembly and the Prime Minister's trade envoy for Egypt, North Africa and Algeria, I have seen how brilliant our diplomatic staff are across the world. It is very important that they should remain in their post and that there should not be any cuts in the staffing budget of the Foreign Office.

3.11 pm

Sam Rushworth (Bishop Auckland) (Lab): I thank my hon. Friend the Member for Rotherham (Sarah Champion) for securing this debate. I draw the House's attention to my entry in the Register of Members' Financial Interests, because, like many here, I have extensive experience in this field.

I feel somewhat in an invidious position, if I am honest, because I completely support the defence spending on which these aid cuts will be used. I also completely support and constantly ask the Government for more investment in my constituency of Bishop Auckland. I also accept some of the arguments that we have heard in this debate about doing more with less. I am talking about the importance of trade, British international investments, diplomacy, debt relief and encouraging other states that do not do enough to step up.

I am also aware that DFID started in 1997 with a budget of just £2.1 billion, which represented only 0.26% of our GDP at the time. That rose to 0.36% after 10 years of a Labour Government. That was a decade of unprecedented progress in which Britain led the world on aid. I also accept that the Government have popular support for diverting aid money towards defence at this time. I acknowledge as well that two of the Opposition parties would implement even deeper cuts to aid and that the others have not presented a credible plan for how to fund an increase. All of that said, like many who have spoken in this debate, I feel deeply uncomfortable. We have heard some fantastic contributions, including from the hon. Member for Melksham and Devizes (Brian Mathew), who predictably spoke about the importance of water, sanitation and hygiene and why it should get special treatment.

Fleur Anderson: Hear, hear!

Sam Rushworth: I knew that my hon. Friend could be relied on to talk about WASH. I also knew that I could rely on her to speak passionately about women and girls. Before my hon. Friend the Member for Lewisham East (Janet Daby) even spoke, I knew that she, too, would speak passionately about that topic. I knew that I could rely on both the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) to speak about global health, and my hon. Friend the Member for St Austell and Newquay (Noah Law) to talk about British International Investment.

My background is in children and youth in conflict zones, so I shall address my remarks to that. We all think that these areas are important. Everyone is bringing

things to the table and saying, “But what about this? Surely this is too important to lose.” My ask of Government is for them to draw up a proper, evidence-based impact assessment of what the cuts will mean and to publish it widely, so that the British public can understand what political choices are being made and what those choices will mean. There is far too much myth in a lot of the debate around international aid. What will the impact be, for example, of the laying off in large numbers of people involved in de-mining operations? What is the impact on communities that cannot return to their homes? What is the impact of leaving unexploded ordnance lying around? When conflict prevention education is being cut, what will be the impact in civil war and civil conflict? How will that impact refugee flows into our country? What will be the impact on the prevention of killer diseases of investing less in public health? My hon. Friend the Member for Lewisham East has talked passionately about the 90% cuts in South Sudan to programmes that have seen an unprecedented increase in girls going to school. What will be the impact of that?

The International Development Committee recently visited Nigeria and we saw a UK aid-funded maternal health centre. I was shocked at how poor that was, and that was the upgrade. I just could not imagine the scene of six or seven women all in labour at once, occupying a very small space in a hot environment without any air conditioning. What is the impact on all the things that we are doing? Has the FCDO made any analysis of this? If not, why not? If it has, will it publish it and make it more widely known?

I raise this matter for two reasons. First, as a social democrat and a Christian, I am unashamed of saying that I do believe in a global brotherhood of man. I care about a child in Ethiopia as much as I care about a child in my own community. As others have alluded to, this is super important for our national interest. People have spoken really well in this debate about the British Council and the BBC World Service. I wish to talk about staffing. We are led to understand that the quite severe cuts in staffing at the FCDO is because it is considered to be top heavy—it is considered to have too many people in head office. But does that mean that we can expect to see an increase in field staff? In many countries in Africa, I have found that whenever we visit a Ministry, we come across British people who are embedded there, sharing their expertise. That is really important for our soft power, as well as for leveraging our aid spending to do more.

That expertise at DFID and the FCDO is known around the world. It includes expertise in value for money, sustainability, anti-corruption, and gender mainstreaming. What will we lose in those areas, and what will be the impact of that?

I have one final and crucial point that I want to make about the UK national interest. We must not be blind to what is happening right now across the global south with regards to China and Russia. We seem to make different decisions about China from one election cycle to the other. China, on the other hand, has a 100-year plan for global dominance. It is enslaving the developing world in debt. It is using Chinese companies to build the infrastructure, and it is also building a polity of loyal people. That is why the BBC World Service, our education work and technical assistance are all so important—*[Interruption.]* I can see that Madam Deputy Speaker wants me to come to an end.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the Liberal Democrat spokesperson.

3.19 pm

Monica Harding (Esher and Walton) (LD): I want to express my thanks to the FCDO and officials for their hard work helping British nationals overseas during the conflict in Iran and the middle east, including helping my own constituents get home.

This debate comes at a moment of extraordinary global crisis. More than 130 conflicts are active, 120 million people have been forcibly displaced, and over 300 million face acute hunger. There is war in Europe, and the middle east now stands on the precipice of full-scale regional war. It is against this backdrop of a world on fire that the Government are pushing through with the deepest cuts to British aid and development in a generation, bringing aid to its lowest level this century—from 0.7% when the Liberal Democrats were in government to 0.5% under the Conservatives, and now to just 0.3% under the Labour Government. This is a far cry from the Labour Government of Tony Blair and Gordon Brown, who made it their aim to make poverty history.

This Labour Government's cuts will contribute to more than 600,000 additional deaths by 2030. Let me pre-empt the Minister telling me that times have changed, and remind him that the legally enshrined 0.7% was designed to slide up and down with GNI and was made after the 2007 financial shock. This Government's cut was made two days before the Prime Minister went on his first visit to Donald Trump, taking with him a cut that mirrored the one that the President had made to his own foreign assistance budget the previous month, at the start of his Administration. Congress has pushed back on that now and partially reversed the cuts, and now the cuts to ODA by this UK Labour Government run deeper than those of the United States. When today's USA shows more restraint than this Government, something has gone badly wrong.

Development is no longer treated as a pillar of British foreign policy; it has been quietly demoted to an inconvenience. Let us be clear about what that framing of the cut gets wrong. The decision to slash aid budgets to shore up defence spending is a false economy—and a strategically illiterate one at that. Defence, diplomacy and development are mutually reinforcing pillars of a coherent foreign policy. One cannot be hollowed out without the other two being weakened.

Getting defence spending to 3% of GDP as soon as possible is vital, and the Liberal Democrats have laid out ways to get to that figure with the defence budget as it is now. I can point the hon. Member for Bishop Auckland (Sam Rushworth) to the debates in which those ways are laid out, and I would be very happy to go through them with him. He may not agree with the ways that we are going to get to that figure, but they do exist.

Leading voices in defence, including former chiefs of staff and two former heads of MI5, have criticised the decision to slash development in order to increase defence spending, warning that it risks making us weaker and making it harder to prevent conflicts in the first place. Prevention is cheaper than war. Aid stabilises fragile regions before crises require military intervention. It addresses grievances before they become insurgencies and builds good will, which supports diplomacy and trade. It sustains UK influence.

Lincoln Jopp: I am grateful to my constituency neighbour for giving way on that point. Would she like to give us a couple of examples where overseas development aid has prevented crises in the way that she describes?

Monica Harding: I would love to, and I will come back to the hon. Member with those at another point, but I am up against the clock at the moment. As I go through my speech, there may be some examples.

Aid is not charity, as the Minister for International Development suggested to the International Development Committee. It is a strategic tool that makes Britain safer and secure. It reduces the drivers of migration to these shores and strengthens health systems before pandemics cross borders. While we retreat, China and Russia expand their influence across Africa, the middle east and south Asia, filling the vacuum that we leave. UK aid to Africa has already been reduced by £184 million.

Countries such as Ethiopia, Syria, South Sudan, Somalia and fragile Sahel states—tinderboxes—have seen significant bilateral cuts, alongside a very thin Africa strategy released quietly before the Christmas recess. Africa has the world's youngest and fastest-growing population and a projected \$30 trillion economy by 2050. It represents a huge future trading opportunity, but our cuts risk weakening those relationships—relationships on which our country's growth relies.

Even international climate finance, which has been rhetorically protected, could fall by nearly £3 billion, we are told by *The Guardian*. Programmes such as the biodiverse landscapes fund, the blue planet fund and the climate and ocean adaptation and sustainable transition programme are under threat, and support for Brazil's Tropical Forest Forever Facility, which we co-designed, has yet to materialise. Intelligence chiefs have warned that the collapse of ecosystems like the Amazon and coral reefs will not just risk our climate obligations but trigger food shortages and unrest and lead to war reaching our shores.

In reality, the cuts are even worse than they look. Around 20% of the aid budget is projected to be spent on in-donor asylum costs by 2027-28, meaning that the amount reaching people overseas could fall to just 0.24% of national income. Is the British taxpayer aware that the money earmarked for the poorest in the world is being spent on asylum hotels in this country?

What is most striking about these supplementary estimates is not only their scale but the absence of a coherent strategy underpinning them. There has been no clear argument made, no case put forward and no honest reckoning with what is being lost and what the impact will be. There is no published road map explaining which capabilities we are prepared to lose and whether we intend to rebuild them later. There has been no serious articulation of why slashing bilateral aid strengthens Britain's long-term interests. There is just a quiet hope that the cuts will land without anyone looking too closely.

In fact, the future of the very organisation tasked with scrutinising the UK's aid and development spend—the Independent Commission for Aid Impact—is in doubt. One of its inquiries is on the impact of the Government's ODA cuts. The very oversight mechanisms that hold the Government to account are being dismantled.

I will briefly turn to our soft power institutions. I will not dwell on them because other Members already have. The BBC World Service and the British Council—two of Britain's most powerful instruments of influence, funded at a tiny cost to the taxpayer—are having their budgets eroded, the latter burdened by a Government loan with interest payments of up to £15 million a year.

Then there is the vital question of capacity and expertise. The FCDO is planning staff reductions of up to 25%, and the Department for Business and Trade, which works in-country to promote trade relations, is facing a 20% staffing cut, yet the Government have failed to produce a workforce plan before the cuts. It is cuts for cuts' sake. All of this represents a hollowing-out of capability. Rebuilding that expertise later is neither quick to do nor cheap, and it is very difficult to bring back once it has been torn down.

The question is unavoidable: what is the plan? The Government must change course and set out a clear, binding timetable to return to 0.7%. I look forward to the Minister updating us on how he will do that. The Liberal Democrats will take a different approach to funding the defence uplift, and we have laid it out in this House. In the meantime, the Government must act to limit the damage that these cuts will cause. That means backing meaningful debt relief for low-income countries, redirecting the share of the aid budget spent on in-donor asylum costs back to aid, and safeguarding vital accountability mechanisms such as the ICAI.

In an era of intensifying geopolitical competition, rising instability and growing humanitarian need, Britain faces a choice: we can be an engaged, outward-looking power, shaping events, building partnerships and investing in prevention; or we can shrink our presence, reduce our expertise and hope that the consequences do not rebound on us—a decision to retreat, a decision for the short term, not the long term. The Government's cuts show that we are drifting towards the latter. Once expertise is lost, once trust is eroded, and once influence is surrendered, it is far harder to recover than it is to protect.

Britain still stands tall in the world, but these cuts threaten to diminish that. Britain does not lead by retreating. We lead by showing up, keeping our word and standing with our partners when it matters most. I urge the Government to reclaim our moral authority, rebuild our global influence and lead once again on the world stage.

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

3.28 pm

Priti Patel (Witham) (Con): We have had a wide-ranging debate. I will not touch on all the areas mentioned, but I will add a few others. While the debate focuses on budgets and all the other issues around the FCDO's work, its people and the reforms, it is overshadowed by ongoing events in the middle east. With British nationals in the region sheltering, fearful for their safety while Iran is indiscriminately firing missiles and drones, perhaps this is an opportunity for the Minister to say a few words about the steps being taken to support British nationals in the region. As we know, our bases are being fired on by the Iranians, and British nationals are in fear for their lives.

I know that everyone in the FCDO is working hard to protect Britain's interests in the region and the safety and security of our bases against the Iranian threat. In the light of the fact that our nationals and bases are under threat, when will the Foreign Secretary call in the Iranian terrorist regime's spokesperson in London? Frankly, this is a very difficult and worrying time.

As the debate covers FCDO resources, the Prime Minister said on Sunday that our allies in the Gulf had asked the British Government to do more to defend them. Is that happening now to the extent that it genuinely can? Is there an issue with resources and deployments? Perhaps the Minister might be able to update the House on whether the Government have taken any action at all to support and protect international shipping, particularly during this difficult time when we have significant defence expertise in the region. We all pay a big tribute to our armed forces, who are doing so much for our service personnel and their families in the region. At times like these, the expertise of officials and diplomats is essential, and we pay tribute to and thank them.

We know that the FCDO has undertaken a programme of efficiency savings—that has been touched on—and that there is some upheaval in the Department. The Conservative party is supportive of the principle of finding efficiencies and streamlining in government—there is no question of that—but it is important that that is done in the right way and that we do not lose expertise and capabilities. We cannot lose them in the diplomatic service—I use that phrase deliberately—because they are a vital asset to our country and to our national interests. We have invested in their training, skills and capability, and they are literally on the frontline around the world battling for our national interests. I would welcome the Minister giving an update on the impacts of some of the upcoming changes.

One area where the FCDO has been spending money, and on which Opposition Members, including me, have been asking questions—written questions and letters to the Department—is with regards to the disgraced former ambassador to the United States, Peter Mandelson, and his payouts and expenses. I have received some non-answers to written parliamentary questions. In the light of the investigations taking place, I appreciate that some of what my questions asked about may be sensitive, but hard-pressed taxpayers deserve the right to know the financial cost of the Prime Minister's terrible judgment in making that appointment. There is not only that appalling financial cost, but the impact on our incredible team in Washington. Given the outstanding team in our mission there, working so hard with regards to our special relationship, to appoint the Prime Minister's crony to that role is unforgivable.

One of the biggest costs to British taxpayers could be the result of another foreign policy failure: Labour's Chagos surrender deal. The Prime Minister told a press conference last year that the costs were just £3.4 billion, claiming that was

“how the OBR counts the cost”.

However, the Office for Budget Responsibility confirmed in a letter to me that it

“does not hold any information on the costs or financial impacts of the specific treaty over the future sovereignty of the Chagos Archipelago”

and that it has not

“undertaken any modelling of these costs.”

We should not be surprised by that misinformation.

The Prime Minister has said a lot about the deal—he also stated that China, Russia and Iran oppose the deal, when in fact they back Mauritius—but the fact is that the Opposition had to drag out the information about the forecast costs, which will be £35 billion. That is taxpayers' money, so Ministers should provide full clarity. If the Minister cannot do that today, the House is owed a written explanation in the light of what the OBR said. We want Ministers to be transparent—it is public money, at the end of the day—including under which budget lines in the FCDO budget the costs of the Chagos surrender will come.

The Attorney General of Mauritius is complaining that Mauritius has not yet received any of the money it was expecting from the British Government—some 10 billion Mauritian rupees, or 4% of its revenues. Clearly this money has to be accounted for from the FCDO's or the Government's budgets, so can the Minister tell us what further sums of money are being paid to Mauritius under the strategic partnership signed alongside the treaty last year, and other schemes?

The Mauritian Government are also expecting a further 86 million Mauritian rupees in support from the UK Government in their current financial year. That is in their country's budget, so can the Minister disclose when this is being accounted for? British taxpayers deserve to know what is happening to this money. Can the Minister also give details of what the £135,000 of funding referenced on page 99 of the supplementary estimates is for? It is in section K. I do not need to go into the full details; I am sure the Minister's officials will get that information for him.

Of course, one way to deal with all of this, and to save British taxpayers a lot of money, is to tear up this terrible surrender treaty. That money could go to many of the areas that hon. Friends and colleagues have discussed this afternoon. Could the Minister also provide some clarity as to when the Bill is coming back? I noticed that the Minister for the Middle East got himself into a bit of difficulty last week, and I think clarity would be welcome.

The whole House should also be concerned about the actions of the Chinese Communist party. The FCDO plays a key role in this relationship. In the last few weeks the Prime Minister has visited China and the Foreign Secretary has met Wang Yi in Munich, yet there is very little to show for this relationship so far. We must bear in mind what the CCP is doing and the harm it is causing by jailing Jimmy Lai for 20 years, which is political persecution, by putting bounties on the heads of Hongkongers living in our country, and by spying on our own country and democratic institutions.

We heard only moments ago the Security Minister's statement that three people were arrested today under counter-terrorism legislation. I introduced the National Security Bill in Parliament back in 2022, and I think it is fair to say that every single Member in this House is deeply concerned about what is going on. This does not stand our country in good stead. It damages our reputation in the world. I am going to say it again: it is time that the FCDO and the Government played an important role by placing China on the enhanced tier of FIRS. We must be robust in defending our national interests.

My hon. Friend the Member for Chester South and Eddisbury (Aphra Brandreth) spoke earlier about education and the Palestinian Authority. While the situation in Israel,

[Priti Patel]

Gaza and the west bank continues to cause a great deal of concern, the 20-point peace plan is now out there and in my view the UK needs to use its influence to support it. We need to see progress on the dismantling of Hamas, and we need to see aid getting to where it needs to get to. The FCDO plays an important role in that.

We also need to see progress on reforming the Palestinian Authority, as has been pointed out today. When it comes to questions around education, we have heard some very robust comments today. The Minister for the Middle East referred to an audit taking place on “pay to slay” and reviews of the education curriculum, which is deeply worrying. We need assurances from the Government immediately that they are being robust around the £101 million of British taxpayers’ money that was given to the Palestinian Authority last year and that that money is not going into supporting those appalling practices. The one-year anniversary of the memorandum of understanding is coming up next month. There should be some transparency on this, and I welcome the comments made by my hon. Friend the Member for Chester South and Eddisbury.

Many hon. Members have referenced aid, ODA and the budget this afternoon. It is right that the funding has been repurposed to support our defence and security, given the threats that we face. Our contributions make a difference, and it is vital that the Government continue to explain the projects they are prioritising, to make sure that the money is followed, tracked and traced and that all outcomes are working for our national interests. We must ensure that every single penny counts and that there is transparency and removal of waste in spending.

There has not been enough discussion about the role of private sector finance and the multilateral development banks, about where the FCDO sits on that and about what is happening to our money in those institutions. That matter is absolutely vital, but there is very little scrutiny in this House. The Minister who holds this portfolio fully may be in the other House, but these issues should be scrutinised here. At the end of the day, this is public money.

While there are many areas of conflict in the world, the UK continues to make a difference, and the whole House should recognise that. We have heard colleagues speak about the brutality of the war in Sudan—it is absolutely appalling, and much has been said in the House on that. In Afghanistan, basic human rights are being denied. Women’s basic freedoms are being suppressed, and those rights have to be restored.

On Syria, perhaps the Minister could add something about where our resources are going with regard to the transitional Government and the Syrian Democratic Forces. What are we putting in, and what is happening on stability and bringing peace there? There is still a lack of accountability around the destruction of chemical weapons, the state’s ability to deal with ISIS, which we deal with in this country through the Ministry of Defence, and the strikes that are essential to reduce ISIS. On reports that Syria has been deploying troops on its border with Lebanon in recent days, does the Minister agree that Hezbollah must not be able to draw on arms smuggled across the border? On the Government’s decision to lift a wave of Syria sanctions, has any work been

undertaken to measure the impact to ensure that bad actors are not facilitated and do not profit? All those issues affect us and the FCDO in many of its roles and responsibilities.

I want to quickly make a couple of other points. We have all marked the fourth anniversary of Putin’s awful full-scale invasion of Ukraine. The House is united on Ukraine, but the Minister’s Department has an important role to play with the MOD in ensuring that resources get into Ukraine and that we support Ukraine. Also, when it comes to going after Russia and its financial flows—this is about both sanctions and the shadow fleet—we need to ensure that oil finances in particular are being tackled. Sanction busting must stop, and Britain has a role to play there.

Finally, it is absolutely right that Britain stands tall in the world, and the FCDO is pivotal in that. Whether it is soft power or hard power or our diplomats around the world, how we project our country’s power and influence is vital to securing our interests both at home and abroad, and protecting British nationals overseas and keeping our country safe from threats is what the Foreign Office leads on and does well in. There is still much more to do, and I look forward to hearing the Minister’s responses to my questions.

3.42 pm

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Chris Elmore):

I start by paying tribute, as all Members of the House have, to our deeply dedicated and professional civil servants in the Foreign, Commonwealth and Development Office. Speaking as a Minister just about to enter his sixth month in the job, I have met nothing but thoroughly professional, decent and hard-working civil servants. In fact, they are a tribute to some of the best parts of UK plc and the civil service. More broadly, I pay tribute, as again every Member has, to the work of teams on the ground across the middle east and their work in response to the Iranian attacks.

I turn first to the shadow Foreign Secretary’s speech and what I will call her list of questions. She tempts me into a wider debate on foreign policy, which, frankly, is her job, and I have enormous respect for her in doing that, but I will bring us back to one particular point on Iran. I can confirm to the House that the Minister for the Middle East has just finished summoning the Iranian ambassador, and I know that will obviously be of interest to her and the whole House. That has taken place in the last 30 minutes.

I will give a brief update on consular assistance—something that is of concern to many Members across the House, including the Liberal Democrat spokesperson. As of 7 am today, 136,582 individuals have registered their presence. The breakdown covers Bahrain, Israel, Kuwait, Palestine, Qatar and the UAE. This is the largest ever response to this service that we have ever had across multiple countries, and it is testament to the significant pressure that the service is experiencing. Diplomats are undertaking this work across the middle east. We have received nearly 4,000 inquiries since the start of the crisis, and on 3 March, almost 1,000 calls were handled just on that one day. With the civil service, we are doing our very best across the middle east to offer as much support as possible, including—for one of the first

times in the history of the Foreign Office—external-facing communications to people who register in place. That is an important part of our response.

David Mundell: Will the Minister give way?

Chris Elmore: I will make a bit of progress, but I can assure the right hon. Gentleman that I will give way later.

As you know, Madam Deputy Speaker, I am a pedant for procedure in this House, but I have forgotten something: I thank my hon. Friend the Member for Rotherham (Sarah Champion), and my right hon. Friend the Member for Islington South and Finsbury (Emily Thornberry), for securing the debate. I am sorry that I did not thank them at the beginning of my remarks, but the shadow Foreign Secretary tempted me, and I felt the need to bite. I am equally grateful to all other Members for their contributions. One thing I have learned is that my right hon. Friend the Member for Islington South and Finsbury has done a bit of gin-drinking and linen-wearing while travelling with the Foreign Affairs Committee. I need to up my game!

Let me set out and respond to some of the many points raised in the debate. Russia's ongoing war in Ukraine, mentioned by many Members, including the shadow Foreign Secretary, has fundamentally reshaped Europe's security landscape. Like many of our allies, we recognise the need to reduce overall reliance on the United States for our defence. Strengthening the UK's sovereign defence capabilities is essential in this new era. It is in that strategic context that the Government have taken difficult but necessary decisions, although I appreciate that that view is not shared across the House. The Government have taken those decisions in that strategic context, while ensuring that the UK still plays a full part in European security and remains able to protect our people, our interests and our values.

I am known for many courtesies in this House, but I found it slightly disingenuous of the Liberal Democrat spokesperson, the hon. Member for Esher and Walton (Monica Harding), to skip over the fact that a Labour Government introduced ODA funding to begin with, and then gently suggest that the Lib Dems reached the 0.7% target after the 2010 general election. It is not my style to be combative in this House, but I thought that was slightly disingenuous—and I will leave it there.

The Chair of the International Development Committee, my hon. Friend the Member for Rotherham, mentioned the ICAI. I can confirm that no decision has been taken. I appreciate that that will not please her, but we remain totally committed to meeting our statutory obligation, as the independent evaluation of ODA spending is extremely vital for the Government's work.

The right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell)—I hope I have got the name of his constituency right—asked about Abercrombie House in Scotland. We are committed to maintaining Abercrombie House. In fact, we are considering how other Government Departments could be based on that. I give him that assurance on the record, and I am more than happy to take the conversation away from the Chamber if doing so would be helpful to him.

There have been many questions about a plan, a way forward and the transformation agenda. I do not underestimate the challenges that come with FCDO 2030. Just a few moments ago, I made very clear my support

for the civil service in the FCDO—whether on King Charles Street, in Abercrombie House or across the globe—but I have also heard civil servants themselves talk about the need for change in order for the service to be more agile in responding to the global events that many Members have mentioned. There is no hiding from the work that we need to do.

The FCDO needs to be equipped to meet challenges today and in the years ahead. The permanent under-secretary of state is leading the transformation programme, to build an organisation that is agile, innovative and equipped to seize the opportunities of the day. They build on deep expertise, which I know is a concern for colleagues, and on the professionalism and commitment that the civil service brings to Britain's diplomacy and development work every single day. Our workforce reforms are designed to strengthen that foundation, with officials developing a clear sequenced strategy supported by a Department-wide assessment of our skills, capabilities and requirements. I want to stress that point, because Members from across the House have raised the skillset, the institutional memory, and the scale of the knowledge that we bring, across the world, through our diplomatic service. We want to improve those things, not lessen them, and that can be done, among other things, through the skills audit.

As part of that audit, we of course remain committed to maintaining our development capability, but reduced ODA means deploying it with greater precision and impact. It will also mean closing and transitioning programmes in a planned way, drawing on lessons from previous budget adjustments. This includes strengthening the skills we need most for the future, expanding opportunities for specialist development, and ensuring that colleagues can gain the depth of knowledge and experience, both in the UK and overseas, that underpins a world-class diplomatic service. In short, our aim is to build a workforce with the right mix of expertise, regional insight and professional capability to deliver consistently for the UK in a rapidly changing world.

Let me focus on the specific challenge put to me this afternoon: that of development. The Government remain committed to returning to 0.7% when fiscal circumstances allow. We should be proud of the progress made in international development this century, but the world has changed and so must we. The British people and our partners around the world want a new approach to international development—that was raised by my hon. Friend the Member for St Austell and Newquay (Noah Law)—and the phrase “partners not patrons” is testament to where ODA needs to move to. We must listen to the countries that we support through ODA, not dictate the terms of what we think they need. That is important and I know the International Development Committee will agree with it, as will Members across the House.

The days of viewing aid as charity are frankly over. This modernisation is not simply the product of tighter budgets. It reflects what our partners have told us directly: they want support that is more responsive to their priorities, with partnerships focused on better health and education, and on ensuring that their people have opportunities at home. We have listened to that—I have listened, as have the Minister for Development and the Foreign Secretary—and our new approach is designed to match what our partners say they need, not what outsiders think they should have.

[Chris Elmore]

The right hon. Member for Dumfriesshire, Clydesdale and Tweeddale spoke about a plan. The new approach is based on four fundamental shifts: it moves us from donor to investor; it moves us away from delivering services ourselves and towards supporting the capacity of our partners to improve their own service delivery; it moves us away from providing grants to offering our expertise; and it moves us from imposing change from overseas to championing local leadership. My hon. Friend the Member for Oldham West, Chadderton and Royton (Jim McMahon) raised the latter point with respect to co-operatives, and I was pleased that at the development conference at the beginning of November, I was able to include the crucial work done by the co-operative movement. I reassure him that while I remain in the job, co-operatives will be an extremely important part of how I see development moving forward.

As we progress through the aid budget work, and to announcements on decisions, I confirm that we plan to publish indicative ODA allocations for the next three years shortly. Those three-year budgets will provide the predictability that our teams need—the need for long-term funding allocations has been raised, and I can assure the House that the announcement will come soon. Effectively managing the reduction in aid spending will demonstrate how we intend to put our modern approach into practice. Our development work has never been solely about our aid budget, and access to private investment—the shadow Foreign Secretary raised that—remittance flows, efficient tax systems and trade opportunities are essential foundations for countries to achieve self-reliance. With less money to spend, we must make choices and focus on greater impact, as has been said by many Members. Every pound must deliver for the UK taxpayer and the people we support. The UK remains committed to meeting our statutory obligation on the independent scrutiny of our ODA spending—I am saying that again for emphasis, and to reassure the International Development Committee and its Chair of that work.

Let me come to points raised the hon. Member for Melksham and Devizes (Brian Mathew) and my hon. Friend the Member for Putney (Fleur Anderson) about water, sanitation and hygiene. We have increased humanitarian funding that includes WASH support in both Gaza and Sudan, working with the World Bank and the UN. The shadow Foreign Secretary may see things differently, but I reassure the hon. Member for Melksham and Devizes that that part of our ODA change is about being a player in this space—as an advocate in the room, ensuring that we campaign and lobby for investment within the multilateral space. I also speak as the Minister responsible for multilateral issues, and the change can be a crucial part of such work. We are also supporting several fragile and conflict-affected states to strengthen WASH services, and we have supported more than 700,000 people in Sudan with access to water. I assure the hon. Member and my hon. Friend the Member for Putney that we understand the importance of access to water, and how that can lead to security in the spaces where people are living and on which they are reliant.

The UK will also remain at the forefront of the world in relation to responses to humanitarian crises, particularly in supporting people affected by violent conflict, whether

in Ukraine, Gaza or Sudan, and helping displaced people in or near their counties of origin. My hon. Friend the Member for Lewisham East (Janet Daby) raised the right of women and girls to live in a world free from violence, which I know is an issue that she champions. We recognise that human rights, good governance and our work through the preventing sexual violence in conflict initiative are key enablers of our wider FCDO priorities. I cannot stress enough to the House how important this is to both me and the Foreign Secretary. It is vital that we find solutions to the fact that the rape of women, girls and boys is used as a tool of war. I am sure that there would be no dividing line for anybody in the House over the part that the UK Government will play in reducing and, we would all like to hope, ending that practice. We will champion the rights of women.

We will accelerate the global clean energy transition, promoting green and resilient growth and seizing the opportunities for Britain. We will also continue to support countries to build resilient and sustainable health systems, as mentioned by the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale—I seem to be highlighting him today, but I promise I will get to other Members—including through major investments, such as our £1.25 billion pledge to Gavi and our £850 million commitment to the Global Fund to Fight AIDS, Tuberculosis and Malaria. I cannot give the right hon. Gentleman a clearer reassurance than that. This will help to protect millions of children from disease and save well over 1 million lives in the years ahead. All this is underpinned by our commitment to sustainable, inclusive long-term economic development, and it is built on the foundation of our strong relationships with countries around the world and our standing on the global stage.

Let me turn to questions raised by the Chair of the Foreign Affairs Committee, the Chair of the International Development Committee, the right hon. Member for Maldon (Sir John Whittingdale) and others, including the Liberal Democrat spokesperson, the hon. Member for Esher and Walton, about soft power. I know, understand and support utterly and totally the UK's role in making sure that soft power is relevant and crucial to our wider work within foreign affairs and diplomacy.

Sir Geoffrey Clifton-Brown (North Cotswolds) (Con): The Minister may be aware that the Public Accounts Committee held a session on 8 January on the BBC World Service. At that session, we pushed for the BBC to be given a budget for the World Service, but here we are, two months on, and I understand that we have still not had notification of that budget, although we are nearly at the beginning of the next financial year. Will the Minister tell us when that budget will be forthcoming?

Chris Elmore: I thank the Chair of the Public Accounts Committee for his question. As I set out at the beginning of my speech, the announcements will be made shortly.

I want to expand on some of the points that have been raised by the right hon. Member for Maldon, among others. We are developing a soft power strategy to try to reverse the decline on the UK's role in soft power. There have been four meetings of the Soft Power Council since January 2025, so I reassure the right hon. Gentleman that we are still working on developing a new strategy on soft power and ensuring that every part of the United Kingdom is supported by the work of the Soft Power Council.

Our offer to the world remains utterly unique. As hon. Members have said in different ways during the debate, and I completely agree with them, the UK's democracy, rule of law and world-class institutions give us real global influence. That is why soft power is at the heart of our diplomacy, but we cannot take this soft power for granted. If we are to make progress on the challenges we face and create a world that is safer and more prosperous, we must engage the sectors, institutions and networks that together contribute to our success and project it to the world.

We are building our partnerships with all those institutions and businesses that contribute to our soft power, specifically to give us the edge when it comes to both geopolitics and growth. We are drawing on advice from bodies such as the Soft Power Council, alongside wider Government expertise, to enhance our attractiveness. In response to another point that was raised, our leadership of two major global alliances—the Open Government Partnership and the Media Freedom Coalition—reinforces our values internationally and shows that we practise what we preach on transparency and accountability. I can reassure the right hon. Member for Maldon and the House that just this morning I had a meeting with leading experts in the media freedom space, and I will be speaking at the Media Freedom Coalition's conference in London tomorrow—*[Interruption.]*—as will the right hon. Gentleman, I am glad to hear.

What I want to see, through us retaking the chair of the Media Freedom Coalition, is a move back to the original pillars of this work to ensure that we have meaningful outcomes. One of the things I was challenged on today is leadership in this space, and I can reassure the right hon. Member for Maldon and the House that I care deeply about the freedom of journalists and their investigative work. They are often at the forefront of how we understand what is happening in conflicts across the world. I hope that gives him some reassurance.

I also happen to be the Minister with responsibility for the World Service and the British Council, and Members have rightly raised the work of both those distinguished organisations. The BBC World Service's role has been especially clear in recent days—BBC Arabic and BBC Persia services are crucial in providing impartial and accurate reporting on events to audiences across the world, as was referenced by the Chair of the Foreign Affairs Committee, my right hon. Friend the Member for Islington South and Finsbury.

That is why we have boosted the World Service's grant by £32.6 million this financial year to a total of £137 million—a 31% increase in a tight fiscal situation. I reassure colleagues across the House that we are doing our best to work with the BBC World Service. Just last week I met Ministers in the Department for Digital, Culture, Media and Sport to ensure that the World Service remains a cornerstone of the charter review.

Similarly, the Government highly value the work of the British Council in promoting the English language, arts and culture, and education. We are providing the Council with grant in aid funding of £163.1 million in this financial year alone, and we are working with its leadership and trustees to ensure its financial stability. I stress to the House that senior officials and I have had frequent, often and regular—however we wish to express it—meetings with the chair, vice-chair, chief executive and deputy chief executive. I have also provided briefings

to the Chair of the Foreign Affairs Committee, my right hon. Friend the Member for Islington South and Finsbury, and its ranking member, the right hon. Member for Maldon.

I am determined to find a way through for the British Council to make it sustainable. We have talked about the losses that it has experienced, and I can assure the House that we are working through a plan—I will do my very best to ensure that Members are updated in due course. I want a sustainable future for the Council that allows it to grow and become a part of soft power for decades to come, and I give that commitment to the House.

I need to conclude—forgive me, Madam Deputy Speaker, as I have gone on far too long. That was another pet hate of mine when I was Comptroller of the Household, but nevertheless I will stretch your good will towards me slightly longer. I can even see the Deputy Chief Whip, my right hon. Friend the Member for Alyn and Deeside (Sir Mark Tami)—I should know better. May I quickly canter through some of the other questions that have been asked?

I particularly want to respond to the hon. Member for Chester South and Eddisbury (Aphra Brandreth). Yesterday, in FCDO questions, the Minister for the Middle East offered to have a conversation with one of her colleagues—forgive me, I forget who it was. Can I make the same offer to the hon. Lady, if she wishes to meet the Minister to ensure that we work together in this space? I cannot be clearer that there is no space for antisemitism in the United Kingdom, or for us to be, in any way, supporting or funding anything that leads to hate towards Jews—either here or across the world. If the hon. Lady would like to take me up on that offer, I am happy to speak to the Minister for the Middle East.

To conclude—I am sure to the delight of the Government Whips Office—this Government have a modernised approach to development. We have the right combination of hard power and soft power tools to achieve our objectives. We have a plan for what we want to deliver, and we know that we have the best people and institutions working throughout the world to deliver it. I applaud all those members of staff for the work that they continue to do, and I commend the estimate to the House.

4.3 pm

Sarah Champion: May I thank all the Members who have spoken with such passion about the projects, schemes and—most importantly—individuals in our diplomatic and development service at the FCDO? I know that I have a really short time, but I have to say that the Government have given us the four pillars on which they will make their future decisions, which were put in place by a former Foreign Secretary and a former Parliamentary Under-Secretary.

My concern now is that, while I believe the funding decisions have already been made and will come into the public domain shortly, we as a House can still influence what is going on with staffing. Our staff in the FCDO are under huge pressure. They are our superpower, as this weekend is showing. They are under a huge level of trauma right now because of the restructure that is going on. Added to that is the confusion over their pensions, and there is no workforce plan. I say to the Minister with absolute respect that I do not believe the resources will be there in our time of need, unless assurances are put in place that we have the necessary skills and expertise that all of us in this Chamber have spoken

[Sarah Champion]

about with pride. I ask all Members please to draw attention to this, so that decisions are not made that we live to regret.

Question deferred (Standing Order No. 54).

Ministry of Defence

[Relevant documents: Sixth Report of the Defence Committee, The UK contribution to European Security, HC 520, and the Government response, HC 1658; Oral evidence taken before the Defence Committee on 27 January, on the work of the Secretary of State for Defence, HC 973; Oral evidence taken before the Defence Committee on 12 January, on the work of the Chief of Defence Staff, HC 974; Oral evidence taken before the Defence Committee on 16 December 2025, on the National Armaments Director, HC 1529; Correspondence between the Chairs of the Defence and Public Accounts Committees and the Permanent Secretary of the Ministry of Defence on transparency and the Defence Investment Plan, reported to the House on 10 February and 27 January; and Ministry of Defence 2025–26 Supplementary Estimate Memorandum, reported to the House on 10 February.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Ministry of Defence:

(1) further resources, not exceeding £21,545,924,000, be authorised for use for current purposes as set out in HC 1676,

(2) further resources, not exceeding £63,680,000, be authorised for capital purposes as so set out, and

(3) a further sum, not exceeding £571,284,000, 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.—(Gregor Poynton.)

4.5 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): It is an honour and a privilege to open this debate as Chair of the Defence Committee, and as a Member of this House who believes profoundly that the first duty of any Government, and indeed of any Parliament, is the safety and security of our nation and our people. I thank the Backbench Business Committee for agreeing to allocate time for this important debate.

I will begin with a simple but unavoidable truth: the world is rearming at pace, and the United Kingdom is not keeping up. We must confront the reality together that national defence requires long-term thinking, stable investment and, as far as possible, cross-party working. Our adversaries do not operate on the basis of electoral cycles, and neither can we. While unity on principles is important, it must never prevent this House from holding any Government to account where delivery falls short.

First, let me turn to the threat picture. Russia is operating a war economy, supported by China. The Defence Committee has heard that 60% of the Russian war effort in Ukraine is being bankrolled by China. Russia may not be winning the war, but it is also not losing—it is slowly gaining territory, and there is no sign that it is genuinely interested in peace. Russia now has experience of attritional combat; it is delivering new technology to the battlefield in weeks, not years; its economy is geared to warfighting; and many think that its next step will be to extend operations, not halt them.

Jim McMahon (Oldham West, Chadderton and Royton) (Lab/Co-op): I thank the Chair of the Select Committee for the work he has been doing on Ukraine. A number of us were in Ukraine last week as part of a cross-party delegation, and the thing that really stood out for me—aside from the horrendous circumstances that people there face on a daily basis, and the injuries and death

toll on the frontline—was that the UK and our allies are doing enough to hold off Russian aggression, but nowhere near enough to support Ukraine to win the peace. I would welcome my hon. Friend's reflections on what the UK needs to do more of to ensure that Ukraine can win.

Mr Dhesi: My hon. Friend makes a powerful point. It is very important that we stand in steadfast support of our Ukrainian friends, and his point is similar to the conclusions that our Defence Committee drew after our recent visit to Ukraine. It is important that the Government continue with their support for Ukraine, and we must do so in collaboration with our European allies to ensure that the Ukrainians win that fight. I am sure that the Government have heard that message loud and clear from across the Chamber.

As my hon. Friend the Minister for the Armed Forces has said, we may have as little as three years before we will have no option but to fight a significant confrontation with a major state. Russia is already operating in the grey zone against the UK and our allies, notably in sabotage and cyber-operations against the infrastructure that supports our prosperity. That summarises the threat, both to the east and to the north, because the High North is the focus of the Defence Committee's latest inquiry. That is another front for both Russia and China, as melting polar ice caps open up new strategic frontiers.

Meanwhile, the middle east is in turmoil, and to the west our once dependable ally, the United States, is withdrawing from its historic role as the protector of democracy in Europe. We have grown to rely—in fact, over-rely—on the US militarily, and the dependencies are many and deep. But it is increasingly unclear how far that is sustainable or how much our interests align. We need to make sure that while we solidify our relationship with the US, we are not in a state of over-reliance.

Vikki Slade (Mid Dorset and North Poole) (LD): Does the Chair of the Defence Committee share my concern that our continued reduction in numbers in the armed forces potentially undermines our ability to maintain our NATO commitments? Does he also share my concern about the huge numbers of people interested in joining the armed forces and the significant time lag in their ability to join, which is leading to many of them pulling out?

Mr Dhesi: I thank the hon. Lady for that excellent point. The Defence Committee has raised those concerns—the relationship between force size and expanding commitments—and we are pressing the Government to explain clearly how personnel levels align with strategic ambitions.

I want to move on from the context in which we must judge our defence posture and spending. The United Kingdom remains, by any measure, one of the largest contributors in NATO. We should rightly be proud of that. Historically, we have always achieved the alliance's core benchmark of spending at least 2% of GDP on defence, but that benchmark no longer meets the threat. Pride must not blind us to reality: 2%, or even 2.5%, is no longer enough. The Prime Minister said last month, and has reiterated, that Britain needs to go faster on defence spending. I agree, and cold, hard reality dictates that we must. Going faster means just that—we do not

have the luxury of time. If we need to be ready for a significant confrontation with a peer adversary in as little as three years, we cannot wait until the end of this Parliament to begin moving towards just 3% of GDP. We need a profiled increase.

Lauren Edwards (Rochester and Strood) (Lab): I thank the Chair of the Defence Committee for securing this debate. There was a lot of focus in the House on the percentage of GDP that we spend on defence, and it is important to meet our NATO obligations. I welcome the Prime Minister's statement that the Government will reach at least 4.1% of GDP being spent on defence in 2027, on the way to 5% by 2035. That is an indicator of our commitment to defence, but it is not the whole story. Does my hon. Friend agree that we need a more nuanced debate that considers whether we are spending the defence budget on the right things, with the appropriate lead times, for those short, medium and long-term strategic defence challenges that we face? The events of the last week make it even more important that we see the defence investment plan that the Government have promised as soon as possible.

Mr Dhesi: My hon. Friend is right that we need to increase defence spending to the agreed NATO target of 5% in total—3.5% on conventional military spend and 1.5% extra on defence and security-related matters. However, as she rightly points out—and she has made similar points in discussions before—we must ensure that we get full bang for our buck, and we must also ensure that we have sovereign capability, and not just in the medium term, but in the long term.

Everything in deterrence theory tells us that waiting makes conflict more likely, not less. Russia is running a war economy now, and China has indicated that it wants to be ready to seize Taiwan by next year. As the Defence Committee heard last month, it does not make sense to say that we think we will be ready by about 2030. We also need to be honest about how much we should abuse the debt of peacetime to allow our armed forces to become hollowed out. We need to stop pretending that we can still operate as if we were a global power with historic reach. Our Committee has heard repeatedly that the gap between political ambition and real-world capability is widening, and that that gap risks undermining operational readiness, long-term planning and industrial confidence.

Mr Mark Francois (Rayleigh and Wickford) (Con): I hope that the Chairman of the Select Committee, who is making an excellent speech, will forgive me for interrupting him. He has referred to readiness and timings. Is he, like me, concerned about the comment on—from memory—page 43 of the strategic defence review that we must be prepared to fight a peer enemy by 2035, which is nine years from now? We may not have that much time.

Mr Dhesi: I thank the shadow Minister for making that excellent point. In fact, as I said earlier, the Minister for the Armed Forces has said that we need to be ready within three years. Either way, we need to wake up and smell the coffee, and actually start taking defence investment seriously. The issue is not just the need to spend more on defence, but the need to provide confidence and predictability and show that we do what we say we are doing, so that we can achieve the outcomes that we

[Mr Dhesi]

are seeking. However, one of the most pressing issues for defence at present is the continuing uncertainty surrounding future commitments.

Michelle Welsh (Sherwood Forest) (Lab): In my constituency, defence investment has supported high-skilled jobs since before the first ever vertical flight took off there, and today firms such as ITP Aero in Hucknall continue that proud tradition. Does my hon. Friend agree that increasing defence spending is not only vital for our security but an investment in our economy, and that when contracts are awarded UK defence contracts should support UK jobs, strengthening British industries and communities such as mine?

Mr Dhesi: My hon. Friend, who is a strong champion for her community, has made an excellent point. Defence is about not just security but skilled employment and regional growth. That is precisely why industry needs long-term certainty, so that those jobs can expand and endure.

Let me move on to the defence investment plan, which was promised last autumn. We are still waiting. Industry and trade union leaders say that the delay has created a planning “vacuum”. Companies cannot invest in new facilities, expand supply chains, or recruit or even retain skilled workers when they lack clarity on future procurement pipelines. This uncertainty is not merely an accounting inconvenience; it has real-world consequences. It affects jobs in communities across our country, the resilience of our industrial base and the armed forces themselves, who depend on predictable equipment delivery and long-term sustainability arrangements.

To put it simply, uncertainty costs money and capability. If we are serious about strengthening defence, we must be equally serious about strengthening defence industrial capacity, and that means four things. First, it means long-term certainty in procurement pipelines so that firms can invest confidently. Secondly, it means streamlined acquisition processes to reduce delays, bureaucracy and duplication. Thirdly, it means a sustained focus on skills, workforce development and supply chain resilience, ensuring that we can retain critical sovereign capabilities in areas such as ship and aircraft building, advanced manufacturing, cyber and emerging technologies, and can build additional production capacity so that we are not just competing with our allies to spend more money to achieve the same outputs, and so that we can export at scale and contribute to UK growth. Fourthly, we need improved access to credit so that industry can invest over the required timescales. I hope that my fellow Defence Committee members will elaborate further on that element; I am sure that, in particular, my hon. Friend the Member for Aldershot (Alex Baker) will focus on it. Industrial capacity is not just a secondary concern; it is a strategic asset, and a decisive factor in deterrence and conflict.

On the UK’s position within NATO, we have long prided ourselves on being a leading European contributor, but the international landscape is shifting rapidly. Several allies, particularly in northern and eastern Europe, are now increasing defence spending at a pace that outstrips our own. Some are moving well beyond the 2% of GDP threshold and towards 3% or more. Whereas the UK was, relative to our GDP, the third-highest spender

within NATO in 2012, 11 NATO members spent proportionately more than we did in 2025. That matters for two reasons: first, it affects our credibility and leadership within the alliance; and secondly, it shapes perceptions of burden sharing at a time when transatlantic solidarity is under strain.

Peter Lamb (Crawley) (Lab): Does my hon. Friend accept that part of the reason for the difference in defence spending is that those nations’ security is at much more immediate risk than that of the UK? If we are going to maintain a leading role and ensure the security of our people moving forward, we must be honest with our constituents. The reality is that, in order for our current way of life to be maintained, sacrifices will now be needed to secure the funding necessary to guarantee our defence.

Mr Dhesi: My hon. Friend makes an excellent point. As I have shown, the uncomfortable truth is that our adversaries are moving faster than our acquisition cycles. We need to bring the public on board, because that reality must serve as a burning platform for reform. Incremental change will not be enough.

It would be remiss of me to discuss defence spending without addressing the issue that often fuels Treasury scepticism: the perception that Defence wastes the money that it spends. There have been too many examples of programmes exceeding budgets, missing timelines and delivering reduced capability. The Army’s Ajax vehicle programme is perhaps the most prominent recent case. Years of delay, spiralling costs and repeated safety concerns have eroded confidence. The repeated failures undermine trust, waste taxpayer resources and, ultimately, weaken our armed forces. It is easy to say that we must never repeat that, but our ability to spend effectively has now become an urgent question of national security.

Jim McMahon: Overall, the Government have a pretty poor reputation for spending public money wisely. My hon. Friend mentions Ajax, but I raise him: High Speed 2. Governments of all stripes need to do better. Given that our mayors and local authorities are developing the skill base at a local level, does he agree that it is best to link defence spending to our regional growth strategy, so that we do not have the constant stop-start that we see from central Government?

Mr Dhesi: My hon. Friend speaks with considerable experience, having previously served as the shadow Transport Secretary and in various roles. He is right to say that part of the solution is devolution. We must ensure that we empower local people to make decisions for the benefit of their communities.

We must also recognise a broader truth: although robust scrutiny is essential, persistent institutional scepticism towards defence investment risks becoming self-defeating. If the Treasury’s default position is one of mistrust and funding is withheld due to past failures, the armed forces will be trapped in a cycle in which they cannot modernise effectively. What we need is not permanent suspicion, but a new compact, stronger accountability within defence procurement, greater transparency in programme delivery and, in return, a willingness from the centre of Government to invest at the scale required in today’s strategic environment. Trust must be rebuilt on both sides, and we on the Defence Committee want to give the Treasury the opportunity to show that it is

acting as a team with Defence, with the same goals and national interests at heart. Indeed, we have invited a Treasury Minister to appear before us and are waiting eagerly for a positive response to this invitation. I hope the Minister agrees that this is a constructive request to which the only reasonable answer is yes.

I want briefly to address the proposed defence readiness Bill. I hope Ministers will bring that forward from the intended date of 2027, because that delay matters and drift carries very real consequences. Public understanding is another vital component to success, and we must ensure that such a national conversation happens at pace, because at the present point in time we are not taking the public along with us.

I also want to address the issue of personnel reductions—

Madam Deputy Speaker (Judith Cummins): Order. The hon. Gentleman will have seen that many Members want to speak in this very important debate, and I am sure he will be bringing his remarks to a close shortly.

Mr Dhesi: I shall, Madam Deputy Speaker. Thank you for your kind reminder.

I would like to get a response from the Minister about the supplementary estimate that includes a request for an additional £9 billion to cover:

“Depreciation and impairment arising from non-routine accounting adjustments”.

The Chair of the Public Accounts Committee, the hon. Member for North Cotswolds (Sir Geoffrey Clifton-Brown), and I have been at pains to convey that to the Ministry of Defence, and I hope we can get a response about it.

The world is becoming more dangerous, more contested and more uncertain, and at this point we cannot let complacency and inaction be the driving force. We must match national unity with national urgency. I look forward to hearing hon. Members’ contributions to this urgently needed debate.

4.26 pm

Sir Geoffrey Clifton-Brown (North Cotswolds) (Con): Madam Deputy Speaker, I am grateful to catch your eye to speak in this very important debate. I congratulate the Chair of the Defence Committee, the hon. Member for Slough (Mr Dhesi), not only on securing this important estimates day debate, but on his excellent speech. We face a common problem, so I am afraid that some of my speech will repeat what he said, but I can assure the House that we did not collaborate on our speeches.

The job of the PAC, as the House knows, is to look at expenditure right across Government. However, Ministry of Defence procurements and finances have too often been dysfunctional in the past. Indeed, the Comptroller and Auditor General qualified his opinion on this year’s MOD accounts because it could not provide adequate accounting records to support the value of assets under construction of £6.13 billion. It also incurred non-budget expenditure of £2.56 billion, which will result in an excess vote.

This debate could not have come at a more significant time, with the events in Ukraine and the middle east. When the PAC last examined the defence procurement budget, over two years ago, the 10-year programme was £16.9 billion in deficit, which the National Audit Office

described at that time as “unaffordable”. In June last year, the Government announced a highly ambitious strategic defence review.

The defence investment plan—and I absolutely echo the remarks of the Chairman of the Defence Committee—has been continuously promised at the Dispatch Box, but we are still without the detail. We know that nuclear is consuming over 25% of the entire budget and growing, which is bound to have a knock-on effect on how much we can afford to spend on the rest of the procurement programme, so it is vital that we have the defence investment plan. I say to the Minister in the most gentle but persuasive way I possibly can that, if we achieve nothing else from this debate, will he confirm in clear terms when the defence investment plan will be published so that the PAC, the Defence Committee and the House can scrutinise it properly?

I note that, during today’s Prime Minister’s questions, the Prime Minister did not answer the question from the Leader of the Opposition about the date of publication.

James Cartlidge (South Suffolk) (Con): Shocking!

Sir Geoffrey Clifton-Brown: It is shocking, as my hon. Friend says from the Front Bench. As the Chair of the Defence Committee said, not only is it terrible for defence companies wanting to be able to plan their manufacturing programmes, but it is not good for MOD personnel, because they do not know how to plan either.

Current events in the middle east have given a serious warning that we need to increase defence expenditure. It is therefore really important that we see the defence investment plan so that Parliament can scrutinise the latest plans. Without this information, the Office for Budget Responsibility has questioned whether the Government will be able to reach their target of 3% in five years’ time. That will also be too late, because we need to get the investment soon. As everybody knows—and the Minister certainly knows—it takes a long time to procure and manufacture some of these important bits of kit, so we need to get on with that now.

Fred Thomas (Plymouth Moor View) (Lab): The hon. Gentleman mentions that, given what has happened in the past few days in the middle east, the country needs to spend more on defence, but does he agree with me that the country needs to spend differently on defence? When drones cost barely tens of thousands of pounds, we need to start buying or making capabilities to take down drones that do not cost the British taxpayer millions and millions of pounds.

Sir Geoffrey Clifton-Brown: The hon. and gallant Member has great experience in these matters. I think he must have been reading my speech. If he is patient, I think he will get exactly what he wants.

The PAC recommended more than two years ago that the Government should set up a sensitive scrutiny committee to examine confidential military expenditure. I am grateful to the Secretary of State for Defence and the Minister on the Front Bench today, the Minister for Defence Readiness and Industry, for their careful consideration of that matter. I hope it will now be possible to make real progress, but as the Minister will remember, I raised this matter in the estimates debate in June last year. I hope it will not be necessary to raise it again in another year’s time.

[Sir Geoffrey Clifton-Brown]

There is a commitment to increase defence expenditure from 2.2% of GDP to 2.5% by 2027, followed by an increase to 3.5% of GDP by 2035. In the Government spending review, the current budget is expected to increase by 18.2%, or £11.3 billion by 2028-29. Minister, we really do need to see those numbers incorporated into the Government's expenditure plan in the autumn Budget so that we can be absolutely certain about them.

Many Members will know—certainly the Chair of the Defence Committee knows, because I have been a guest on his Committee—that the MOD has been reorganised into the Quad: the permanent secretary Jeremy Pocklington; the Chief of the Defence Staff, Air Chief Marshal Richard Knighton; the National Armaments Director, Rupert Pearce; and the Chief Of Defence Nuclear, Madeleine McTernan. I sincerely hope, given their new powers, they will radically reform how the MOD functions. We need to take a more strategic view of systems that we procure—going to the point made by the hon. Member for Plymouth Moor View (Fred Thomas)—and consider above all the capability and speed we are able to acquire them.

Why is it, I say to the Minister, that the Japanese can procure their version of the highly sophisticated Type 26 frigate, a Mogami class, in a third of the time that we do? The consequence of that is that the Australians have just struck a deal for £10 billion to purchase those ships from the Japanese. Why is it that the Israelis can procure their military equipment with just 1,000 people, yet our procurement body, Defence Equipment and Support, employs 12,500 people? Our procurement system is far too slow, subject to mission creep, usually late and usually over-budget. As the Chair of the Defence Committee said, Ajax is a classic example of all those problems. We need to learn those lessons, move on and make sure they do not happen in future.

Last week, as the hon. Member for Oldham West, Chadderton and Royton (Jim McMahon) mentioned—he is no longer in his place—I joined a group of 20 MPs who visited Ukraine. We were in air raid shelters several times during our visits to Odessa and Kyiv. On one night the Russians fired 290 drones: 220 were destroyed but 70 got through, causing a significant amount of damage, and a few injuries and fatalities as well. Ukraine's technology and digital capability in tracking and destroying those drones is some of the most sophisticated in the world. The drone operators' experiences are directly and rapidly informing their procurement decisions. The Ukrainians are able to change the specification of their drones within a week. I suggest that it would probably take us some months to do the same thing.

One of the top Ukrainian military experts told us that the future of warfare was following three domains: drones, cyber/electronic and space. I think, hearing those words, that some of our capabilities in those areas need bolstering pretty rapidly. We and NATO need to learn the lessons of the war in Ukraine. Without being too specific, there are severe gaps in NATO's anti-drone technology.

The experts also made the telling point that modern main battle tanks can cost between \$4 million to \$9 million per unit, but they can be destroyed by a swarm of drones costing less than \$20,000 each. They say that tanks are effectively redundant. The Ukrainians inform

us that 80% of their kills are as a result of drone strikes. Modern warfare is changing rapidly, and the MOD needs to be sufficiently agile to adapt.

From the recent activity in Cyprus, and other lessons learned from the conflict in Ukraine and ongoing war in the middle east, we need to invest in comprehensive counter-drone systems and training across our armed forces. As an example, we use the Sky Sabre air defence system, which can shoot down drones, but can cost up to £250,000 a shot. We need to invest further in anti-drone technology to ensure we can do this far more rapidly and cheaply.

As I am sure the Minister is aware, last Thursday the PAC visited RAF Marham, which houses two F-35 squadrons. I have four main takeaways from that visit, all of which stem from the lack of urgency to be ready for war according to General Walker's three-year timescale. First, the accommodation for our servicemen needs urgent upgrading. It is a disgrace that servicemen can be sent on long tours while their families do not have proper accommodation.

My second takeaway was the effect that has on retention. We were told that pilots and training instructors for the F-35 programme are 50% below optimum levels, which is highly unsatisfactory for a project of this importance.

Thirdly, it is difficult to plan the whole operation when the timing and procurement of the additional 27 F-35s are unclear. Hopefully, that will be revealed in the defence investment plan when it is published.

Fourthly, one of the squadrons had recently returned from the highly successful Operation Highmast to deploy around the world, ending up in Japan. Now, in a matter of a week or two, they have had to redeploy to the middle east. This is a good illustration of how some of our servicemen face considerable stretch. This is to be expected in wartime, but more resources must be deployed to support them and their families. Another example of that is that our submarine crew on HMS Vanguard recently served a 204-day deployment.

The MOD budget is going to grow considerably, but the money is not going to purchase military hardware in the most strategic or cost-effective way. That will happen only if the Quad radically reforms the way the MOD has been run, especially with smarter recruitment of personnel and procurement of equipment.

Chris Vince (Harlow) (Lab/Co-op): It is really interesting to hear the hon. Gentleman speak about personnel. We have spoken a lot about spending in the MOD, in particular on the need for improved technology; I wonder whether he could touch on spending on personnel and the support we give them. What more does he think we could do to support our service personnel, who obviously do a brave job every day?

Sir Geoffrey Clifton-Brown: The hon. Gentleman raises an important point. In the reorganisation of the MOD into the Quad that I have talked about, the critical person is the Chief of the Defence Staff, because he has now assumed responsibility for all personnel matters. I am sure that he will be looking at this very carefully.

We need to look at recruiting people with different skills from those we have recruited for in the past. To operate drones, for instance, as the hon. Gentleman knows, we need people with good computer and dexterity skills.

That may mean recruiting youngsters, who have the brains to be able to do this work, but who are not necessarily the people we would traditionally have recruited to be running around the battlefield 100% of the time. It might mean different things; it might mean retraining some of our existing personnel to operate these new weapons.

Above all, our armed forces are at the lowest they have been for decades—the Army in particular. We will need to bolster the numbers somewhat because of the reason I have just given: the overstretch of our personnel. We cannot go on doing that to them. We need to have enough people available on rotation so that next time a long deployment comes around, different people—different regiments and different squadrons—are deployed.

There are a lot of things we need to think about when it comes to personnel. One is that we must have a pipeline in the future. The PAC did an inquiry into reserves and cadets, and it seems to me that we need to do a little better in both categories. *[Interruption.]* I can see that you are urging me to finish, Madam Deputy Speaker. I have overrun, but I did not wish to try your patience. Simply put, we cannot go on doing what we did in the past. We need to do things differently and better in the future.

Several hon. Members *rose*—

Madam Deputy Speaker (Judith Cummins): Order. After the next speaker, I will be introducing a time limit, starting with four minutes.

4.39 pm

Derek Twigg (Widnes and Halewood) (Lab): I congratulate the Chair of the Public Accounts Committee on his well-thought-out speech. I know the good work that his Committee is doing on defence expenditure. It is a real privilege and pleasure to see so many of my colleagues from the Defence Committee in the Chamber. They all do an excellent job—particularly the new members—in holding the Ministry of Defence to account.

The most important factor in this debate is our people. The defence and security of our country is paramount for any Government and Parliament, but to deliver that, we need to have the people, and our armed forces have some of the finest people in the world. The professionalism, courage and commitment that they show on a daily basis is absolutely unparalleled. I put on the record my appreciation for their work, not least as we enter yet another dangerous period in this world with what is happening in Iran, when, again, they are being asked to do things on behalf of our country.

Given the time available, I do not want to repeat the things said by my hon. Friend the Chair of the Defence Committee, but I will focus on a couple of things before I come to the matter of overall defence expenditure. The defence investment plan has been mentioned, which is important because, apart from it telling us what we are spending money on, the previous Government did not produce an equipment plan after about 2023, so we could not scrutinise the Ministry of Defence or hold it to account. We are in the same position now because of the continued delay in the defence investment plan. I urge the Minister to do whatever he can to bring that plan to fruition very quickly, because the Defence Committee has been denied the ability to scrutinise MOD expenditure for several years now.

We have heard a lot today about capabilities, the changing world, how war is fought, technology, the defence industrial base and how we have to change the way the MOD works and its culture. Clearly, the new ministerial team appointed after the election has made great strides in reforming the Ministry of Defence and has made a number of significant changes. I am sure that that is starting to bear fruit, but there is still a long way to go. I know, too, that other things will need to get done. If we are to spend our money better—that is what we are talking about today—we need to make sure that the system in the MOD addresses the needs of civilians and the military, has the ability to spend money wisely and achieves the greatest efficiency. As my hon. Friend the Chair of the Defence Committee said, Treasury sources often cite those things as reasons not to give more money to the Ministry of Defence. The current ministerial team clearly has that in mind and its work will change that. I shall come back to the actual amount of money that we should be spending.

To put it bluntly, we are in a perilous situation. This country would have difficulty defending itself for any period of time, or sending out and sustaining any sort of sizeable armed force on the European continent given the Department's current supply of resource. That is what we need to address. We need the ability to produce mass both in terms of service personnel and of equipment. We need to be able to generate drones, armoured vehicles, ships, aircraft and so on. We have lacked that ability to generate mass for some time. We are now in a situation where we may well have to do that, but we do not have the systems in place to be able to deliver it. That is something that I am particularly concerned about.

We live in a perilous and fragile world, and it has just been made even more fragile by the events of the last few days in Iran. When it comes to Britain, we already have great commitments. We are committed to helping Ukraine, and we have our NATO commitments, which we are already failing on. We have been failing for many years when it comes to our ability to deliver the capabilities that we should be providing to NATO, and that is a real worry given that we are putting our NATO policy first. We have just seen the resources that we needed to be able to send naval ships to Cyprus. It is a real worry that we struggle to do that.

Technology is advancing rapidly. That applies not just to drones but to cyber and the grey zone. Again, we need to move forward more quickly, more intelligently and in a more agile way. I believe we are still struggling in that area. A week or so ago I met two Ukrainian officers who told me that they were concerned about the ability of the British armed forces when it comes to how we use and produce drones and how they are managed on the battlefield. That is really important to understand, because we have trained Ukrainian service personnel and we need to utilise their knowledge and depth to ensure that our personnel are also trained to that level. They must have the ability to use and manage drones in the battlefield. We need those skills as widely as possible within the armed forces. I am concerned about that as well.

There are some key messages that we need to give our armed forces. The first is that if we are going to send them in harm's way, we will make sure that they are fully resourced and have the capabilities, protection and support

[Derek Twigg]

that they need—not just from the Government and Parliament, but from the country as a whole. That leads me to another point that I would stress: we need a whole-of-society approach to the dangerous situation that we now face in this world, and we need to work out how we can get that message across to society. This is about not just the individual on the street, and the households in this country, but how our financial sector, Government Departments and education system are set up, and how quickly our industry—not just the defence industrial base but our wider industrial base—can be turned to producing the defensive equipment and assets that we need. I have concerns about all those things, and they need to be addressed.

Let me turn to defence spending. My hon. Friend the Member for Aldershot (Alex Baker), a fellow member of the Defence Committee, will go into more detail about private finance and defence, as it is not just about the Government putting in public money. The Chair of the Defence Committee mentioned 3% defence spending. I have been saying for some time that we need to start spending 3% now, but that does not mean just saying, “Let’s spend 3%”, as has been outlined by others; it is about spending the money well and intelligently, and doing so in a different way than we have previously.

The right hon. Member for Rayleigh and Wickford (Mr Francois) knows the Defence Committee’s report on procurement. I think that report was welcomed, and it was on the ball in raising the issues that need to be addressed and the ways in which we can move forward. As to whether lessons have yet been learned, we shall see, but we clearly have to get procurement right and move it forward, and the report sets out a template for us to start doing that; it is another big area that we have got to sort out. When it comes to spending the extra money, we have to get our procurement system right. We have to make sure that we produce the right assets—the ones that will give the most capability to our armed forces—and really take account of the modern battlefield today, as well as the pressures and threats we will face without those assets.

We cannot wait. We face a serious threat to our national security. We see it all the time across Europe in cyber and the grey zone, whether it is Russian drones in Polish airspace, Russian jets flying into Estonian airspace, attacks and sabotage on factories and railway lines, the use of criminal gangs by states to destabilise other countries, or disinformation and so forth. We really have to wake up to the fact that these threats are real, and that Russia considers itself—certainly, Putin considers himself—already at war with the west. I urge that we get a move on. We cannot waste any more time if we are to secure the protection and security of this country.

Whether in industry or finance, and obviously in the military, we have amazing people, who, working together, can take this country forward and deliver the defence needed for its protection. We need to utilise that ability, but time is running out. I recently co-authored a paper produced by Civitas called “Understanding the UK’s Transition to Warfighting Readiness” with the hon. Member for Harwich and North Essex (Sir Bernard Jenkin) and the renowned defence expert Chris Donnelly. I hope that hon. Members get a chance to read it. It is

not perfect or an absolute blueprint for moving to war-readiness, but it is a start. That is the debate that we have got to have today; and we have to move on today.

Several hon. Members rose—

Madam Deputy Speaker (Judith Cummins): Order. There will be a four-minute time limit.

4.50 pm

Ian Roome (North Devon) (LD): I thank the Chair of the Defence Committee for securing this estimates debate on defence. Of all the demands on public finances, none are more serious than paying for this country’s defence. Recent years—even the last few days—have brought that into sharp relief. This time last year, at the spring statement, the Government said they would go further and faster on defence, announcing a £2.2 billion uplift to the Ministry of Defence budget, helping the UK to reach a defence spending target of 2.5% of GDP under the NATO definition.

It remains the Government’s stated ambition for the UK to reach 3% during the next Parliament. The Liberal Democrats want to see that delivered this side of 2030, but the sooner it can be achieved, the better. The numbers must be weighed against what we expect from our armed forces, but we must guard against Russian aggression despite the cost.

We can still do more. The Prime Minister’s assertion that the Government would spend an additional £13.4 billion on defence every year from 2027 is an increase in cash terms, but not in real terms. As a percentage of GDP, we are simply returning to the early 1990s levels of defence spending, not the far higher levels we saw during the cold war. However, we must not be too hard on ourselves: in real terms, defence spending will soon approach the heights of the 1980s—but protecting a much bigger economy.

The UK provides an immensely powerful nuclear deterrent to the NATO nuclear mission—a highly specialised capability, even among our allies—and many of Europe’s leading defence companies are based here in the UK. The great south-west has a particularly strong defence sector, and the Government are recognising the massive economic value of investing in a world-leading defence industry.

Defence spending supports over 430,000 jobs across the UK, with a giant supply chain that stretches across every region. We are one of only four European allies with aircraft carrier capability. The radar array at RAF Fylingdales and signals intelligence at GCHQ provide indispensable data gathering to our Five Eyes partners.

There is also firm political agreement about national defence across the House. Our freedom, democratic values and an open society must be defended—by force of arms if necessary. Our allies also face similar budget choices, so we should co-ordinate getting more bang for our buck. We must maximise our resources and defence capabilities by working as a team.

Even as eastern European nations plan against a scenario of a land war, we should lean into Britain’s position in the Atlantic and our historic strength in naval operations, in shipbuilding and in aviation. We must be honest with the public: the peace dividend that we have all enjoyed since the end of the cold war must now be retained and reinvested in these more difficult times in order to keep us all safe.

Last year, the Defence Committee and I visited Estonia, where defence spending is already over 5% of GDP. It is projected to rise to an astonishing 5.4% by the end of the decade. The Estonians recognise the threat to their way of life and consider this their duty. Our defence spending might be the price we pay to avoid something far worse. A pound invested today could be more important than 10 times that sum spent too late.

4.54 pm

Michelle Scrogg (Barrow and Furness) (Lab): Thank you for the opportunity to speak in this debate, Madam Deputy Speaker. In Barrow, defence spending means everything to apprentices starting out at the shipyard, to engineers perfecting their craft and to families who have worked for generations in support of our national security. It means pride in building and sustaining the submarines that underpin our continuous at-sea deterrent and keep this country safe. When I talk about the Ministry of Defence budget today, I speak not only as a member of the Defence Committee but as a representative of a town that quite literally builds Britain's security.

I want to begin by acknowledging the Government's commitment to increasing defence spending in response to a more dangerous world. This reflects the reality we face, from the war in Ukraine to escalating tensions in the middle east. In Barrow, we understand that investment in defence is essential, and I urge the Government to move quickly to ensure that we can reverse the damage caused by the under-investment of previous years before it is too late.

The Government's continued support for the nuclear enterprise, and the long-term programmes that sustain it, provide crucial stability for my constituency. The Team Barrow project recognises something important: if a town carries the responsibility for building the nation's most sensitive capabilities, it must also share the benefits of the responsibility between the peaks and troughs of contracts. As a member of the Defence Committee, I know that we have a duty to ensure that increased spending delivers what it promises on time, on budget and with a clear strategic purpose. Over a number of years, concerns have been raised about the affordability of equipment plans and the clarity of long-term investment assumptions. Large, complex programmes, particularly in submarine enterprises, require stability and transparency. Industry needs certainty, the workforce needs certainty and Parliament needs a clear understanding of how today's commitments are funded over the decade ahead.

That is why the forthcoming defence investment plan is so important. For constituencies like mine, it is not an abstract document. It will shape the pipeline of work at the yard, the confidence of local suppliers and the decisions of young people when they make their decision to pursue careers in advanced manufacturing and nuclear engineering. I look forward to its publication and hope to see a level of detail that allows this House, and particularly the Defence Committee, to scrutinise it properly. We need clarity about cost assumptions and risk management, and about how capability decisions align with the resources allocated. Transparency builds confidence. It strengthens public trust and ultimately strengthens our armed forces.

Barrow and Furness stands firmly with the men and women of our armed forces, and we are ready to deliver the industrial capability that this nation requires. We know from experience that long-term projects succeed

when there is honest accounting and realistic planning. When expectations are clear and when funding profiles are credible, industry can invest with confidence and communities can plan for the future. I support the Government's commitment to strengthening our defences in a more uncertain world. At the same time, I will continue, as a member of the Defence Committee, to be a critical friend to the Government, pushing to ensure that commitment translates into capability. Barrow and Furness will continue to play its part at the very heart of Britain's defence. We simply ask that the long-term plan for defence is as strong and resilient as the submarines we build.

4.58 pm

Mr Lee Dillon (Newbury) (LD): I congratulate the Chair of the Defence Committee on securing the debate; I also thank the Backbench Business Committee, of which I am a member. As the Chair of the Select Committee said, the first duty of any Government is to ensure the safety and security of their citizens, but as we speak, smoke continues to rise in the middle east, leaving destruction across at least nine countries in the region. In this volatile era, we must work in lockstep with our European partners, restart talks to join the EU's Security Action for Europe—SAFE—fund and take greater responsibility for our continent's security. We require bold action, and I welcome the Government's decision to increase defence spending to 2.5% of GDP, but we need urgent cross-party talks on how we can get this to 3% as soon as possible and keep pace with NATO spending, on which we are falling behind. At this critical juncture, we must ensure that those figures translate into steely capacity both at home and abroad.

In June last year, the strategic defence review set out a compelling vision: the establishment of a new cyber-command, cutting-edge warships and a landmark shift to warfighting readiness, but the defence investment plan, which should turn that strategy into fully costed delivery, is yet to be seen. We must see the DIP published as soon as possible. Without it, industry lacks certainty, long-term procurement decisions are delayed and jobs remain in jeopardy.

Our small and medium-sized enterprise defence sector is ready and willing to step up to the challenge of supporting the SDR and the 20-40-40 strategy. In my constituency, Airborne UK plays an active role in strengthening the UK's sovereign capabilities in the unmanned aerial vehicle and defence sector as a trusted composite scaling partner. While based just over the border in Berkshire, it is obviously keen to work with the Swindon cluster. Companies like this will benefit from the additional £1.1 billion investment in R&D, but I have also heard from SME companies that changes made under the previous Government—tax credit uplifts were cut from 130% to 65%—have led to SMEs working with more foreign Governments rather than our own. Of course, we deeply want them to work with us, so I urge the Government to look at these rates to supplement the increases in spending in R&D. To create overmatch, we need to work faster and more flexibly. We need to have better procurement and rebuild trust with the Treasury so that, with accountability, funding is scaled up.

Just two months ago, the head of the armed forces said that the UK was

"not as ready as we need to be for the kind of full-scale conflict we might face".

[Mr Lee Dillon]

That warning should focus minds in this House. If the UK is to lead within Europe, we need pace and clarity, but we also need the personnel to deliver it. The Army's training strength now stands at around 73,000—its smallest size in generations. Because of the operational demands and lack of resources, we have seen service personnel joining the field Army with formal training deficits recorded against them because they have not been able to fire all types of ammunition in training. I welcome the Government's £9 billion investment in the defence housing strategy. For our brave men and women who serve the country, decent accommodation is the very least they deserve, and it is a stain on the previous Government's record that military family homes were left in such a mess.

We are in a fragmented and predatory era. We cannot afford to dither. We must move faster, strengthen our European partnerships, rebuild our armed forces and ensure that every pound approved by this House bolsters our security at home and abroad. We need to do that so that we can create a whole-society approach to defence, one that can become a reality, including improving public engagement on the threats we face, where we have gaps and what trade-offs will be needed to ensure that we are safe at home and strong when we go abroad.

5.2 pm

Alex Baker (Aldershot) (Lab): It is a huge privilege to speak in this debate. I want to use my time to highlight why the UK must join the Defence, Security and Resilience Bank as a critical part of our defence strategy. I have been campaigning for this for over a year, and I feel that this is a moment for us to think about how we support and finance our growing defence capabilities.

This Government are making record investments in defence in the years ahead, responding to increasing global threats, but we must recognise that defence spending and defence financing are two distinct matters. That is where the issue lies: our current financing structures do not support the defence sector adequately. In my constituency, we have a strong defence industrial base, and I have heard directly from businesses about the barriers they face. This is not about the big defence contractors, but rather the tier 2 and tier 3 suppliers and the SMEs. There is a misconception that these businesses are doing well and thriving because of increased defence spending, but in reality they are struggling to get access to the capital they need. British banks are heavily restricted in lending to defence companies due to international regulations, and our businesses often stay silent about these challenges, but they do affect them.

One business leader who has had the courage to speak out is Rob Taylor from 4GD. His company has been able to access the capital it needs to grow despite being based in the UK. The extreme barriers faced include being asked by banks to provide 160% security on loans—an unsustainable expectation for any business. Rob is now considering relocating his business to the United States, where there is a much more supportive environment for defence companies.

Rob is clear that the Defence, Security and Resilience Bank would provide a solution for 4GD and other businesses like it. It would offer sovereign-backed credit guarantees to UK banks, allowing them to lend much

more freely to our defence sector. Economists estimate that, with such credit guarantees in place, UK banks could lend £30 for every £1—over 50% more than they can lend today. Furthermore, through its yield curve, the DSRB could enable us to achieve the 3% GDP defence spending target by 2030, which is crucial for our national security. The bank would help us to ensure that every £1 we invest in defence works harder for our country.

If we fail to expand our supply chains and support SMEs, increased spending will lead only to more expensive capabilities and defence inflation. We have already seen the impact of that in the price of 155 mm artillery shells, which has risen over 300% since Russia's illegal invasion of Ukraine. Without a solid financial mechanism, those costs will continue to rise.

The DSRB may not fix everything, but it is an essential tool for ensuring the growth and of our defence industry. It is about supporting businesses that are essential to our national security, which are located in every community across the UK. Canada is already paving the way. Prime Minister Carney, a former financier, is backing the DSRB and urging our allies to join as charter negotiations begin. The Defence Committee welcomed a delegation from the Parliament of Canada yesterday, through the Commonwealth Parliamentary Association, and they urged the UK to join the talks.

If we want the UK to lead, this is our moment. This is as significant as when a Labour Government founded NATO 77 years ago. Joining the DSRB will allow us to shape the future of defence finance. This is a once-in-a-generation opportunity; let us act now so that we do not miss it.

5.6 pm

Mike Martin (Tunbridge Wells) (LD): Other Members have articulated the threat we face, so I will not repeat those points. Suffice it to say, we are in jeopardy. Global threats are on the rise, but at the same time, UK capability is decreasing. The only way that we can close that gap is to re-arm. Rearming is the only credible way to deter war—that is the point of it. It is not just strategically sound; it is economically sensible. I would much rather we spend 3.5% of GDP on defence than 35%. That is not a hypothesis: 35% is what Ukraine currently spends on defence.

Our military limitations are laid bare every day. Just last week, senior defence figures told *The Times* that the UK would be unable to send 5,000 troops to Ukraine without taking forces from Estonia or Cyprus. We currently have 900 troops in Estonia as part of Operation Cabrit, protecting NATO's eastern front and deterring Russian aggression. Weakening or removing that deterrent would send exactly the wrong message to Putin. Where he sees strength, he retreats; where he sees weakness, he advances.

The UK's footprint in Estonia has already been stripped back to bare bones. We have fewer than 10 tanks operating there, and troop numbers are down by 650 since 2022. As far as I am concerned, we are breaking a promise to our Estonian allies. In Afghanistan, I fought alongside Estonian soldiers. We ate the same food, we went on the same patrols, and we got in the same firefights. They have been exceptional allies to us, not just in Afghanistan but elsewhere. We are not doing the same for them now.

Our shortcomings go well beyond Estonia. Rob Johnson, who used to run the red teaming think-tank inside the MOD, recently told the Defence Committee that we could deploy just 2,000 troops, five ships and 30 aircraft if a crisis broke out. The Royal United Services Institute estimates that we would run out of ammunition within a week. That is not a credible defence posture for the United Kingdom.

When I joined the Army 19 years ago, I was one of more than 100,000 regular soldiers. We now have just about 70,000 on the establishment, and we can deploy only 50,000 of those at any one time due to medical deployments and all the rest of it. Over the same period, our fleet has halved in size. I will say it again: that is not a credible defence posture for the United Kingdom. Change is desperately needed. We need a military that is able to lead in the defence of the Euro-Atlantic area, and we must be able to do that without the US—that is clear from what is happening at the moment.

Because of our history, the UK also needs to be able to retake the Falkland Islands as a sovereign endeavour, so without allies, but that is a big ask. If we want to do such things, I have a vision for what our military should look like, which is an Army of 100,000 soldiers, a fleet of 50 ships, and 250 combat aircraft.

Mr Dillon: My hon. Friend may have been coming to it, but how much would it cost to get to his vision compared with what we have in budgets today?

Mike Martin: If we want to do that now, it would cost 3.5% of GDP—it is basically a 50% increase on our current defence budget. When we talk about £2 billion here or £5 billion there, that is peanuts. If we want to lead in the defence of the Euro-Atlantic area, we need an extra £30 billion for our defence budget now. The Government recognise the scale because they talk about 3.5%, but by 2035. If we are honest with ourselves, we think that is nonsense, because we need to be able to do it right now.

I was in Munich recently and I spoke to a lot of our allies. They all tell us that they want the UK to lead in the defence of the Euro-Atlantic area. Absent the US, we are the only country that can do that. We have the nuclear deterrent, the strategic culture, the willingness to use force, and the willingness to take casualties. The one thing we do not have is enough military capability to take that leadership position, and this estimate falls far short of what we need to spend—

Madam Deputy Speaker (Judith Cummins): Order. I call Amanda Martin, with a three-minute time limit.

5.11 pm

Amanda Martin (Portsmouth North) (Lab): It is a privilege to speak in this debate on defence. In Portsmouth North, defence is not abstract; it is jobs, apprenticeships, families and an essential part of my city's future. My constituency is home to the Royal Navy, and I welcome the Government's record investment in defence, which is the largest sustained investment since the cold war. That investment is not just in the hard stuff, but in families, personnel, housing, and all the necessary things for our armed services personnel.

We need to see leadership, and we have shown that in our support for Ukraine. This year's £4.5 billion in military aid, including advanced air defence systems

and lightweight multi-role missiles, shows that the UK stands firm against aggression. The war in Ukraine has taught us that warfare is changing fast, with drones, autonomous systems and uncrewed capabilities reshaping the battlefield. Agility and innovation is key, which is why the £4 billion investment in autonomous and high-tech systems matters.

Along with my small and medium-sized enterprises, I wholeheartedly agree with my hon. Friend the Member for Aldershot (Alex Baker) about the need for us to be involved in the Defence, Security and Resilience Bank, and to bring in long-term support and investment, opportunities and British jobs.

We are also watching escalating tensions in the middle east with concern. Recent developments highlight the importance of maintaining a credible forward presence, and I would be grateful if the Minister could provide further information on the deployment of HMS Dragon in her current role—I would be happy to take an intervention on that point or at the end.

In Portsmouth North this investment is real. The UK defence sector supports thousands of jobs, many connected to the Royal Navy. Defence growth deals and the £250 million fund have given us a chance to enhance local expertise, strengthen supply chains, and attract private investment into maritime technologies. SMEs are key. Many in my constituency struggle to cut through the red tape and infiltrate the MOD. The defence office for small business growth and the SME commercial pathway are vital, but they must take into account the nuances of working with the defence sector.

Skills are also crucial, and the £182 million defence skills package and the defence technical excellence colleges are really important. Today I was proud to launch, at the Space-Comm Expo here in London, a partnership between Airbus and the Solent growth partnership, to create the UK's first ever space and defence apprenticeship matching programme, and to provide local jobs and opportunities for young people.

However, we must be candid: the previous Government left procurement over-committed and underfunded, but this Government understand that growth must go hand in hand with security. I echo the calls for a national conversation about the ever-changing world in which we live and what extended defence spending might mean for our public services and our priorities, because to be war-ready is not just the task of Government and our armed forces, but a task for the whole country. To conclude, I thank all who work in and with our British armed forces.

5.14 pm

Ben Obese-Jecty (Huntingdon) (Con): The world has rarely been as delicately balanced as it is now. We have entered the era where hard power is the only currency, and we are well into our overdraft. Moving to defence spending of 3% of GDP still remains only an ambition for the next Parliament, not a guarantee or even a firm commitment, and there was nothing in the spring forecast yesterday about the achievability of that target. This morning, the Chief Secretary to the Treasury was on the media round, and in a bravura performance of sticking to the party line, when Kate McCann asked the Minister on Times Radio whether the Treasury was holding up the defence investment plan, he did not deny it.

[Ben Obese-Jecty]

In January, it was widely reported that there is a £28 billion funding gap between the scope of the defence investment plan and the available budget over the next four years. That was discussed in a meeting between the Prime Minister, the Chancellor, the Defence Secretary and the Chief of the Defence Staff before Christmas. It is now March. The defence investment plan was due in the autumn, but we still have not seen it, despite repeated assurances that the Ministry of Defence is working “at pace” to deliver it. When the delivery window has been missed by over six months, talking of working “at pace” rings somewhat hollow.

Last week, Bloomberg reported that the Treasury is exploring a multinational defence mechanism, allowing it to borrow off-books for both procurement and stockpiling. In his winding up, will the Minister clarify whether that is something that the Government have explored?

Yesterday, the Chief Secretary to the Prime Minister said that he hoped that the defence investment plan would be published

“no later than the next couple of months”,

so it may not be published this financial year. There are local elections in May and purdah will start in around a fortnight. The defence investment plan will contain a huge number of geographically sensitive announcements around the awarding of contracts and the construction of factories and new facilities, so it simply cannot be announced after purdah has started. Will the Government confirm whether the DIP will be published before or after the period of purdah?

My contacts in the Ministry of Defence believed that the defence investment plan would be published in March, although it remains unclear whether that will be the DIP in its entirety or just part one of a double DIP that will announce only the headline items, burying the bad news in a later second instalment.

Back in September, the Government’s defence industrial strategy laid out a number of elements, including the pledge to deliver a defence finance and investment strategy by early 2026. How is the Minister doing with that? The defence investors advisory group is supposed to be providing the expertise to formulate the strategy. Will we see it before the defence investment plan or simultaneously? Will it at least be published this financial year?

Recommendation 59 of the strategic defence review states:

“The MOD must deliver an overarching infrastructure Recapitalisation Plan to the Secretary of State by February 2026.” It is now March, and we would like to see that as well,

Only last week, I spoke in the Chamber to explain that we are potentially facing a crisis of overstretch in our armed forces. I said that

“our armed forces are on the cusp of looking overstretched, and doubly so in the event that anything else comes into scope or goes hot.”—[*Official Report*, 25 February 2026; Vol. 781, c. 414.]

Now we are committing resources to the middle east that there appears to be no coherent plan for.

If the last few days in Iran have taught us anything, it is that we are barely justifying our seat at the top table when it comes to defence. Overtaken by our European rivals,

now less experienced than our Ukrainian allies, and smaller and more reticent than our American allies, there are questions about our place in this new era. The Government run the risk of somehow making us a militarily irrelevant nuclear power.

5.18 pm

Dr Allison Gardner (Stoke-on-Trent South) (Lab): Within the allocations of defence spending and investment, and in light of current geopolitical volatility, I am sure that the Government will be looking to secure a strategic, robust and sovereign defence supply chain. In north Staffordshire, our advanced ceramics industry is a key creator of the unique advanced ceramic materials that are required for our fighting capability, including armour materials, ultra-high speed munitions, and protection and security for our defence communications. I have spoken previously to the Minister about the strategic importance of north Staffordshire in creating an advanced manufacturing cluster.

An example of such a business in my Stoke-on-Trent South constituency is Mantec, a technical ceramics company that produces ceramic molten metal filters that remove impurities from molten turbine blades used for civil aviation and defence. Investment in that technology is cost-saving because it is said that using those materials creates a £1 million fuel saving per year, which is £40 million over the lifecycle of a plane, so short-term investment now can lead to long-term savings.

I must emphasise the strategic importance of securing sovereign capability in advanced defence materials, particularly ceramic matrix composites. To quote the National Composites Centre,

“the future of British defence will depend on sovereign access to ceramic matrix composites”.

To bolster national security, strengthen our industrial expertise and position the UK as a leader in advanced defence technologies, we must invest in our sovereign CMC and fibre manufacturing capacity.

When I recently met the UK Atomic Energy Authority, it highlighted—again with great frustration—the importance of having this sovereign capability to manufacture CMCs and fibres. The manufacturing currently happens in a few factories overseas, including in a Rolls-Royce factory in America, which produces the CMCs we need for our defence and civil aviation. Fibre manufacturing also takes place in only a few factories globally, including in Japan and Germany. It is crazy that we actually hold much of the intellectual property, and we have the skilled workers and technology, yet we are dependent on those overseas supply chains. In a volatile world, that is increasingly putting our sovereign capability for defence manufacturing at risk.

As the Minister will know, I have met Lucideon, which is based in the constituency of the right hon. Member for Stone, Great Wyrley and Penkridge (Sir Gavin Williamson). It is working very hard, in a wide partnership, to create a sovereign CMC manufacturing facility in north Staffordshire, hopefully based near the Applied Materials Research, Innovation and Commercialisation Company at Keele University. I once again ask the Minister whether he will meet me to see how we can move that forward and understand the vital strategic importance of north Staffordshire’s advanced ceramics capability to our country and our defence.

5.21 pm

Lincoln Jopp (Spelthorne) (Con): I note that the House rose three hours early yesterday, yet we each get three minutes to speak about the defence estimate. Radically, I want to talk about the estimate itself; much as I would love to do some soaring Churchillian rhetoric, I will instead limit myself to the MOD's supplementary estimate memorandum, which was reported to the House on 10 February, and I want to highlight two elements.

Paragraph 1.1 lists the departmental expenditure limits for resource, capital and annually managed expenditure. Despite all the rhetoric about leaving black holes and this, that and the other, resource was actually £39 billion in 2022, £42 billion in the next year, and £45 billion in the year after. We then have the supplementary estimate, where the resource departmental expenditure limit goes up to a whopping £58 billion, and I thought, "Happy days!" This must be the new Labour Government that we have heard about, who have come along and put loads of new money in. This will be the ammunition we have been wanting, or the pay bump for personnel that will increase morale so effectively. However, I then looked at the footnote—forgive me, it is in very small print, for obvious reasons—which states:

"2025-26 one-off increase in Resource is mainly driven by the Ringfenced RDEL increase to cover depreciation and impairments due to non-routine accounting adjustments."

I am just a simple soldier, but that does not sound a lot like ammunition to me. If the Minister could address that point when he sums up, I would be grateful.

Equally, paragraph 2.1.3 covers annual managed expenditure. In the main estimate, which was published only a few months ago, the figure for this period was £1.7 billion. However, in the supplementary estimate, that figure has gone up to £7 billion—a 309% increase. Again, when I look at the small print, it says that these changes,

"reflect the latest in-year forecast and reflect the application of updated discount rates to provisions".

When the Minister sums up, would he like to reassure the House that he has not been taken captive by the accountants in the Ministry of Defence, and that he is actually spending some new money on some new capability? From the estimate I have read today, that does not appear to be the case.

5.23 pm

Andy MacNae (Rossendale and Darwen) (Lab): Current events are once again showing the vital importance of an agile and independent fast jet defence capability, and the UK is one of the few countries with a sovereign ability to manufacture these world-leading fast jets. The UK's Typhoons are made in Lancashire, where over 20,000 jobs are reliant on maintaining that production. However, right now, assembly facilities lie empty. Last year, the Government secured a very important £8 billion deal with Turkey, which gives temporary protection for those jobs and will restart assembly, but the job is absolutely not done.

We now need to look at how we take the next step and secure our production base and competitive position for the next decade and more. This is all about the UK committing to its own order of Typhoon jets, which is what we need to ensure our world-leading position and keep the skills and experience that were so crucial in

securing the Turkey deal and will be crucial for other, future deals. A UK order means that the maximum value is retained here, with sections made at Samlesbury and full assembly at Warton. The UK ordering the latest Typhoon also indicates full confidence in the jet and allows us to stockpile, making further sales to other countries more likely.

In any case, we need more fast jets. We had 137 Typhoons, but the 30 original tranche 1s are already being withdrawn from service and will be retired by 2027. This will leave 107 tranche 2 and 3 fighters, which are also ageing and are due for retirement in 2040, and lack the range of capabilities that can be delivered in the latest tranche 5 version. We can all get excited about the long-term potential of the global combat air programme, but it will be the late 2030s before those jets ever enter into service, leaving a capability gap. Part of that gap is being addressed by the purchase of the F-35s. These are exceptional aircraft, but they are a very different beast from the Typhoon. The F-35 is primarily a stealthy, ground-attack, precision-strike aircraft able to penetrate heavily defended airspace; the Typhoon is an air dominance fighter, with higher top speed, faster acceleration, better climb rate and superior sustained turn performance. It is also compatible with the full range of British-made missiles, such as the Meteor and the Spear 3, whereas the F-35 currently is not.

Ben Obese-Jecty: Does the hon. Member agree that the very best advert for the Typhoon is its ability to engage in air-to-air combat, and that this week's confirmed kills by the Qatari air force of two Iranian Sukhoi Su-24s is a fantastic advert for just how lethal the Typhoon remains in this day and age, despite only being a gen 4 fighter?

Andy MacNae: Precisely, and of course the upgrade in the radar systems gives it the very latest capability to suppress at a distance. The Typhoon is a powerful beast and works so well within a blended capability, alongside F-35s and other craft. Other European countries have voted for their domestic production bases by ordering their own Typhoons. Spain, Italy and Germany have all done so; only the UK is left out.

Of course, there is a wider perspective. Lancashire is home to world-class defence industries, which every growth plan in Lancashire has at its heart. The fact that I can go into schools in places such as Bacup, Whitworth and Darwen and talk about some of the best engineering and technical jobs in the world being just down the road is so vital for aspiration. The apprenticeships and career opportunities at not just BAE, but the many innovative companies in the supply chain, show that the north-west is the best place for anyone who wants to be at the cutting edge of the manufacturing industries of the future. We should not be happy with merely sustaining this jewel in the crown; rather, we should be seeking to strengthen and continually build skills, scale and competitive advantage. Turkey chose to order Typhoons from us because the experience and skills of workers at Samlesbury and Warton cannot be matched. We now have the opportunity to build on this and give the ultimate vote of confidence by ordering UK fighters that will maintain our balanced and multi-functional fast jet capability for this decade and beyond. Frankly, it feels like a no-brainer, and I hope the defence investment plan will reflect this.

5.27 pm

Luke Akehurst (North Durham) (Lab): I congratulate the Chair of the Defence Committee on securing this important debate. I find it disappointing that parties have been missing and have not contributed to it—Reform, which has an ambiguous position on the threat from Russia; the SNP, which does not support our nuclear deterrent; and the Greens, who do not support our nuclear deterrent and have an ambiguous position on NATO.

How did we end up in this frankly terrifying situation? Well, 14 years of austerity did not just wreck every other public service; it wrecked the fundamental public service that protects everything else we do as a society. It has put us in a very risky situation where we do not have enough air and naval platforms to be in every place that we need to be in, as we can see from a ship not already being in position in the eastern Mediterranean. We do not have enough mass in our Army. We do not have enough reserves. We do not have enough air and missile defence assets—we know the impact of that; we can see what it does to civilian targets, both in Dubai and in Ukraine—and we do not have deep enough magazines of missiles and munitions. Depth of magazines is causing problems for the United States, let alone us.

However, I do not think anyone should be in doubt about the political commitment of this Government to increasing defence spending, because we already took the very difficult decision to slash our overseas aid budget in order to increase spending on the MOD. That was a painful decision, but we will need to take other painful political decisions in the future. I welcome the Prime Minister making all the right noises in Munich about moving the 3% target forwards from his original deadline.

My primary plea in the minute I have left is to move forward with the defence investment plan. The strategic defence review contains excellent proposals about capabilities we need, but every month that we drag on with this is a month in which industry does not have certainty about their order books and businesses are perhaps laying off people with skills when they should be recruiting people. More to the point, it is a month where, three years down the line, we might not have the kit in the hands of our troops that they will need in the event of a hot war with a potent opponent that can rearm to the levels of February 2022 if it has a three-year gap after the combat in Ukraine. My message to the Minister is to take back into the Whitehall system the support on both sides of the House for seeing the defence investment plan sooner rather than later and the message that further delay is not acceptable to Members across the House.

5.30 pm

James MacCleary (Lewes) (LD): I thank the Backbench Business Committee for selecting this topic and the Chair of the Defence Committee for securing this debate.

The UK spent £62.2 billion on defence this year. The Government plan to raise that to £73.5 billion by 2028-29. It is a significant sum. But let us be honest about what that actually shows because some of the detail deserves a great deal more explanation than the Government have so far provided. Take the day-to-day spending figures. Investment spending has increased by £10.8 billion,

a rise of nearly 23%. That sounds like a lot, but the single largest driver of that increase is a £9 billion jump in depreciation and impairment costs, described only as a “non-routine accounting adjustment.” That £9 billion is the largest single movement in the MOD budget, and the Government have provided no detail whatever on what that really is. I am afraid that is not good enough. When the Minister responds, I hope that he will shed some light on what that adjustment actually represents, because the public, and this House, deserve to know.

On capital spending, the increase is a more modest 0.3%, just £63.7 million. Yet within that is a reduction in funding for single-use military equipment. At a time when Ukraine has taught us the vital importance of munitions stockpiles and consumable kit, cutting that line is a curious choice, so I would again welcome a clarification from the Minister.

We also keep hearing, as we have several times today, about the defence investment plan—the document that was meant to be published last autumn. Autumn came and went. We are now in March 2026, and it is still nowhere to be seen. The Government have made the plan the centrepiece of their defence modernisation narrative, and every time we ask hard questions about procurement, capability gaps or industrial strategy, we are told to wait for the DIP. But the DIP never arrives. I sometimes wonder if the DIP was part of some mass hallucination that we all had last year.

Ian Roome (North Devon) (LD): I am getting frustrated about the defence investment plan. Could the Minister, when he sums up, confirm whether it is stuck in the Treasury, and the two Departments are arguing about what it can and cannot include? What is the hold-up between the MOD and the Treasury?

James MacCleary: I thank my hon. Friend for his intervention; it is important that that question is answered. It is starting to look less like a plan and more like a convenient excuse for delay. The Liberal Democrats call on the Government today to commit to a firm publication date, not a vague promise but an actual date. Parliament and industry cannot plan without it.

My party has put forward concrete proposals to accelerate defence investment, in particular through defence bonds. We have called on the Government to issue publicly available defence bonds, raising up to £20 billion for capital investment over two years, giving members of the public the direct opportunity to invest in Britain's security, fixed-term, legally ringfenced to capital defence spending and capped at £20 billion. It is a tried and tested mechanism for mobilising public capital behind a national purpose. We keep hearing how urgent it is to invest, but there is no action.

James Cartledge: The hon. Gentleman is always generous in giving way on this point. I hope he has done his homework because I pointed out the last time I asked him that he would have to repay those bonds to the bondholders two years later. Where would that £20 billion come from?

James MacCleary: As the hon. Member says, he has asked me that question before. I have done my homework, and we have published the full background. This sits within the Government's fiscal rules, and is actually a relatively small cost to the Government. Let me now

ask the hon. Member—he may wish to answer during his own speech—how his party would invest quickly in defence spending. This is a credible proposal, and I should like to hear credible proposals from others too. We should like the Minister to announce defence bonds, with no further delay.

With conflict in the middle east, it is easy to lose focus on the war much closer to home, in Ukraine. The United Kingdom has so far committed £10.8 billion in military support between February 2022 and March 2026, drawn from the Treasury reserve. The £3 billion annual pledge and the G7 loan facility are welcome commitments, but we can and should go further. The UK holds an estimated £25 billion in frozen Russian assets. My party has tabled the Russian Frozen Assets (Seizure and Aid to Ukraine) Bill to direct those funds to Ukraine's military, reconstruction, and humanitarian defence, and we are calling for that today.

National security is the first duty of any Government. The spring statement contains real increases in defence spending, and I do not dismiss that, but it also contains a £9 billion accounting adjustment with no explanation, a defence investment plan that remains unpublished, and a 3% target that is still under vague consideration.

British forces are currently engaged in defensive combat operations to protect our bases and citizens in the middle east and eastern Mediterranean. We must focus on not just new kit but existing kit, and it is conspicuous that so many of our vessels are not currently available to the Navy.

The Liberal Democrats have been clear about what is needed. We have proposed pragmatic, realistic steps to make our nation safer now and in the future.

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

5.35 pm

James Cartlidge (South Suffolk) (Con): It is an absolute pleasure to respond to the debate. I would have loved to go through all the speeches, but given a shorter time limit than I had expected and the consequent cuts in my speech—let alone the defence budget!—I cannot do that. What I will say, genuinely, is that it is always inspiring to hear constituency Members, such as the hon. Member for Rossendale and Darwen (Andy MacNae), talk about the defence industry and defence assets in their constituencies.

Peter Prinsley (Bury St Edmunds and Stowmarket) (Lab): Will the hon. Gentleman give way?

James Cartlidge: As the hon. Gentleman is my constituency neighbour, I will.

Peter Prinsley: I am grateful to the shadow Secretary of State, who is, as he says, my Suffolk neighbour. Suffolk is home to the United States air force base at Lakenheath. The American air force has been our enduring friend since at least the second world war. Does the hon. Gentleman agree that we must do all that we can to support these brave United States air force personnel at this dangerous time in the world?

James Cartlidge: When I was a Minister, I was privileged to meet General Campo, then the officer commanding two bases, and to go around them with him. I would

just say gently to the hon. Gentleman that, in my view, we should have provided the use of American bases as part of the mission to attack Iran from the outset, not least because the nuclear programme in Iran is a threat to us. That is still the most important point in the debate about the current action.

Many Members, including my hon. Friend the Member for North Cotswolds (Sir Geoffrey Clifton-Brown)—the Chair of the Public Accounts Committee—mentioned the need to learn lessons from Ukraine. I want to make one very important point about Ukraine. If we had not stepped up in providing weapons even before Russia's invasion when we were in government, it is conceivable that Putin's tanks could have reached Kyiv and Ukraine could have fallen. We were able to provide anti-tank weapons to prevent that column from reaching Kyiv because weeks before the invasion, Boris Johnson and Ben Wallace had the courage to ignore the advice of the Foreign Office and instead be bold to defend freedom. To put it another way, we did not wait for Putin to invade Ukraine before assisting so that we had a perfect case in international law. Thank God we acted pre-emptively. There is a lesson here.

The Chair of the Defence Committee, the hon. Member for Slough (Mr Dhesi), made an excellent and eloquent speech, giving all the reasons why we need to increase defence spending. To be fair, I think we all know what they are, so I will not go through the details of the threat, but I have to say that it was shocking, with war raging on multiple fronts, that the Chancellor did not provide a single extra penny for defence in her spring statement yesterday.

There are five huge consequences of not setting a path to 3% and instead adopting Labour's decision to prioritise welfare over the defence budget. The first consequence is that the priorities of the Department are now wrong. The MOD has no choice, with its current financial settlement, but to prioritise penny-pinching and in-year savings over rearmament. The fact is that instead of increasing the budget for rearmament, it is initiating £2.6 billion of in-year savings this year, which leads us to the second consequence: the operational impact. We all know that, shamefully, not a single Royal Navy ship was in the middle east when war broke out. That is because the Department has had to prioritise in-year savings and retrench its activity.

Last December, the Minister for the Armed Forces, the hon. Member for Birmingham Selly Oak (Al Carns), confirmed to me in a written answer that

“over the next four years, the Royal Navy will scale back its participation in overseas training outside the Europe, Atlantic, and Arctic theatres.”

That was a premeditated decision to pull our activity out of the middle east, and what have we seen this week? Drone attacks on the RAF Akrotiri base in Cyprus. As a direct consequence of the in-year savings, the Government are having to scramble to deploy HMS Dragon to Cyprus, when it should have been there weeks ago. As a Type 45 air defence destroyer, HMS Dragon will provide invaluable air cover around Cyprus against incoming missiles, but we know from BBC Verify that US Arleigh Burke air defence destroyers in the vicinity are providing cover for the time being. The shocking implication of this is that, until the Prime Minister's U-turn on Sunday, he was preventing the US from using our bases while relying on it to defend them. It is an incredible situation.

[James Cartlidge]

The third consequence of Labour's lack of defence spending relates to procurement, which has effectively been on hold since the general election as a result of the Government's clampdown on in-year spending at the MOD. At the election, we had a fully funded plan to provide £10 billion extra for munitions. *[Interruption.]* Labour Members always chunter about that. The plan was to be fully funded by cutting the size of the civil service, and they do not like doing that. They did not like the way that it was funded, but that funding would have delivered the munitions strategy, which I was working on as the Minister for Defence Procurement. I want to be clear: it was a comprehensive plan to replenish our arsenal and, in particular, would have seen additional significant investment in air defence missiles, including for ground-based air defence and maritime defence, which are so critical for our country right now.

The problem is that the incoming Government had a better idea: cancel the munitions strategy and put any orders on hold while conducting a strategic defence review that would give all the answers but which, as I warned, would in the meantime put procurement on hold. Having told us that the SDR would have all the answers, the Government did not make any specific capability choices, which were punted into the defence investment plan. As my hon. Friend the Member for Huntingdon (Ben Obese-Jecty) and many others have said, the strategic defence review was months late and the defence investment plan, promised for autumn 2025, is still nowhere to be seen. When the Prime Minister was asked at Prime Minister's questions when it will be published, he did not even attempt to answer the question. To paraphrase the Leader of the Opposition, there is no money for defence because the Government have spent it on welfare. Because there is no money, there is no DIP. And because there is no DIP, there is no procurement.

The fourth consequence of Labour's penny-pinching approach relates to the lethality of our armed forces. The Defence Secretary and his Ministers like to mock the defence drone strategy that I produced in government in February 2024—the first ever from a major military player, as far as I am aware—but I gently remind them that, they confirmed in a written answer last April that it is Government policy to implement the defence drone strategy. The aim of the strategy is to procure drones

“at scale for both the Ukrainian and UK armed forces”.

The problem is that, since the election, the Labour Government have rightly continued providing drones for Ukraine, which we support, but they have not implemented the other side of the bargain: building a comprehensive UK military drone industrial base and procuring at scale for our military. Because the Treasury has agreed funding for Ukraine but not for our armed forces, the MOD has been buying brilliant drone and counter-drone technology made by British SMEs and sending it to Ukraine, while buying almost none of it in parallel for our own troops. That is why last December we announced the Conservative policy of a sovereign defence fund, which would deliver drones at scale for the armed forces and, crucially, take stakes in British SMEs to establish a strong UK defence industrial base, instead of losing the intellectual property abroad.

The hon. Member for Lewes (James MacCleary) asked where we would find the money, and I will tell the House one way that we would find it. Some £17 billion of public money would be transferred to defence, including £6 billion for drones from other research and development, and £11 billion from the National Wealth Fund to create a new national defence and resilience bank—a UK bank that would support the supply chain. We would also lever in public finance, as the hon. Members for Widnes and Halewood (Derek Twigg) and for Aldershot (Alex Baker) argued for. I agree with them that we need to increase traditional defence spending, but we massively need to lever in private money and fire up the private sector for defence. Most importantly, our policy would put the world-leading technology that we have given to Ukraine into the hands of our armed forces, immediately boosting their lethality.

The fifth big consequence of Labour's prioritisation of penny-pinching is on the defence industry, risking jobs in every constituency. In January, it was reported that there is the worst sentiment among UK defence SMEs for 20 years. For an industry already hit by a £600 million increase in employer national insurance, this is not good enough.

Of course, our constituents do not just want more money spent on defence; they want it spent well. That is why, in February 2024, I introduced the integrated procurement model in Parliament. Its main focus was to learn the lessons of our extraordinary effort to deliver capability to Ukraine at pace. In particular, a key element was the use of minimum deployable capability. That went live in April 2024, so it is fair to say we did not get a huge amount of time to put it into practice, but we did in one important case study.

A number of commentators have made the important point that, in the latest exchanges in Iran, our RAF is having to use expensive missiles to take down cheap drones, and I think that observation was made by the hon. Member for Plymouth Moor View (Fred Thomas). In April 2024, another of our Type 45 destroyers, HMS Diamond, was deployed in the Red sea when the Houthis, like Hezbollah, were receiving ballistic missiles from Iran. These were also used against HMS Diamond, and while her brave and brilliant crew defeated the threat at the time, I decided that we had to have a way of defeating those drones. I therefore not only procured the DragonFire anti-drone laser, but used the new procurement system to ensure it could be in service in 2027 rather than 2032, which means it will be with our ships from next year.

Given that you are making those usual familiar signals, Madam Deputy Speaker, I will just say finally that when I visited Leonardo—the factory in Edinburgh that makes DragonFire—I was very chuffed to be told that the minimum deployable capability approach had removed hurdles and red tape, so this cutting-edge capability is going to be in service much faster and is genuinely making a difference.

To conclude, all of this points to the crucial need for the Government to follow the lead of our party, and accelerate their plans by going to 3% in this Parliament, not in the next.

5.46 pm

The Minister for Defence Readiness and Industry (Luke Pollard): Before thanking my hon. Friend the Member for Slough (Mr Dhesi), let me place on record

my thanks to the brave men and women of the UK armed forces, who are at this very moment defending not only UK interests in the middle east and the Mediterranean, but those of our allies. I know that the whole House will send our support for them in the job they are doing.

I thank my hon. Friend the Chair of the Defence Committee for introducing this debate and for securing it. It is an opportunity to talk about how we can improve our procurement, value our people more and make sure we are bringing to our armed forces the capabilities that they need in this more difficult time.

We know that the world is increasingly volatile and dangerous. Having just returned from Ukraine this morning, I know that when the eyes of the world are rightly on the middle east, it is important that we as a House clearly and unitedly send a message that we still stand with Ukraine and will do so for as long as it takes. That was the message I gave to the Ukrainian Ministers I met yesterday, and it is one that I know will be echoed by those from every party present for this debate.

The Prime Minister has said recently that “hard power...is the currency of the age”,

and he is right. What we have seen since the last general election is a Government making the necessary decisions to transform our hard power and increase our warfighting readiness. The spending commitments we have made—2.5% of GDP from April 2027, 3% in the next Parliament and 5% on national security by 2035—represent the largest rise in defence investment since the end of the cold war.

Alongside these historic increases, we have published the strategic defence review and the defence industrial strategy, and we are fundamentally reforming defence to finally put it on a sustainable footing. We are leading support on Ukraine, leading in NATO by bringing our allies together, and working flat out to complete the defence investment plan. The DIP will strengthen, modernise and equip our armed forces to meet the threats we face. The decisions we are taking are worth hundreds of billions of pounds, and nothing is more important than getting them right. That is our singular focus right now.

James Cartlidge: I am very grateful to the Minister for giving way, given the time pressures. Given that the Prime Minister did not even attempt to answer the very explicit question of when the DIP will be published, will he tell us: when will the DIP be published?

Luke Pollard: Well, I had to sit through the hon. Member's drivel, so he can sit through mine until he finds out the answer to that one. I want to respond to the main points raised in today's debate by a number of speakers; it is important that I use the time I have to respond to them.

I welcome the clarion call from the Defence Committee to go faster and further on defence spending. It is right that we have increased defence spending, with an extra £5 billion in our Budget this year and more coming next year, but the argument made by my hon. Friend the Member for Slough is a strong one, and it is one I know he will continue to make. We were, as I believe he said, the third largest percentage spender in NATO in 2021, and we remain the third largest spender in cash terms in

NATO, but I recognise the argument he makes. Let me say to him clearly on Ajax that it remains one of my priorities as Minister to make sure that we can fully field equipment that is safe for our people and to make decisions based on safety. I want our industry and our forces to innovate and be bold, but they must not compromise on the safety of our people. I cannot be clearer about that.

My hon. Friend also asked about the supplementary estimates, and I am happy to provide some clarity. A large part of the increase relates to the technical accounting updates to ensure the Department's asset values are accurately recorded. These adjustments do not provide additional spending power and have no impact on the Department's cash budgets, so they are technical, non-cash accounting adjustments. As programmes mature and asset information improves, it is standard practice to update these valuations. This ensures that the Department's accounts reflect the most accurate value of its equipment and estate. The adjustments do not indicate a loss of capability and have no in-year cash impact. I was asked about that by a Conservative Member, but I hope that is helpful to him, too.

The Chairman of the Public Accounts Committee, the hon. Member for North Cotswolds (Sir Geoffrey Clifton-Brown) was right to raise a number of important issues. He is certainly right when he says that defence programmes are usually late and usually over-budget. When we inherited the defence programmes from the hon. Member for South Suffolk (James Cartlidge), 47 of 49 major defence programmes were delayed and over-budget; that is a record for which he should have stood at the Dispatch Box and apologised, but the Opposition do not want to claim any responsibility for what they handed over—they only want to throw stones and blame for the future. To be a constructive Opposition, it is necessary for the shadow Secretary of State to be helpful and constructive with advice, not just to seek to forget about his responsibility for the mess he caused.

The hon. Member for North Cotswolds is also right about accommodation. It was unacceptable that our service personnel and their families were living in accommodation with black mould, leaky roofs and broken boilers. It is for that reason that this Government announced £9 billion to refit, refurbish or rebuild nine in 10 defence homes over the next decade. That will directly support our defence personnel and their families, on top of the largest pay rise in 20 years. I believe the hon. Member for Spelthorne (Lincoln Jopp) described that as a cash bung. The largest pay rise in 20 years for our people, accompanied by a second above-inflation pay rise, has seen morale not fall under this Government, unlike when his party was in power, when it fell in every single service in every single year. The hon. Member for North Cotswolds is also right to make the case for reforming the MOD. That is exactly what we are doing with the process of defence reform.

My hon. Friend the Member for Portsmouth North (Amanda Martin) is proud to represent the home of the Royal Navy. As MP for Devonport, I am also proud to represent the heart of the Royal Navy; she and I have much in common. She is right to ask about HMS Dragon. I am pleased to give her an update about the ship and the ship's company. The Royal Navy is working at pace to prepare HMS Dragon for deployment to the eastern Mediterranean. HMS Dragon has begun re-supplying

[*Luke Pollard*]

her air defence missiles at the ammunition facility at the naval base in Portsmouth. She will then return for a logistics re-supply before sailing. For security reasons—as she will know, as a Portsmouth MP—we do not comment on precise departure dates of our Royal Navy assets. She will also know that we have two Royal Navy Wildcat helicopters armed with drone-busting missiles already deploying to the region. They will reinforce the additional RAF Typhoons, F-35B jets, ground-based counter-drone teams, radar systems and Voyager refuelling aircraft which we have already deployed to the region. Our jets are now flying continuous sorties to take out Iranian drones and missiles threatening UK people, interests and bases, and threatening our allies.

Ben Obese-Jecty: Obviously, the whole House appreciates the deployment of HMS Dragon, but it has had to be withdrawn from its NATO Maritime Group 1 commitment in order to fulfil the trip to Cyprus. Do we have another Type 45 that can replace it, given that HMS Duncan could not be sent because it is already committed to preparing for Operation Firecrest?

Luke Pollard: I will not be announcing deployments from the Dispatch Box, but I recognise the hon. Gentleman's point. It is one of the reasons that we are seeking to invest more in our Royal Navy: to provide not only crewed but uncrewed capabilities.

The hon. Member for Tunbridge Wells (Mike Martin) spoke about his desire for a larger Royal Navy. In 2017, when I had brown hair and sat broadly where the right hon. Member for New Forest East (Sir Julian Lewis) is sitting now, I made the case in my maiden speech for more surface combatants for the Royal Navy. That is what our hybrid Navy will deliver—and not only crewed platforms, which are being built in Scotland at this very moment. Last week, I saw the steel cut on HMS Bulldog and the roll-out of HMS Active—two of our new Type 31 frigates—which will be sailing alongside uncrewed and autonomous systems as part of that hybrid Navy concept. This is something that the Prime Minister announced in his speech at the Munich security conference and which we are keen to extend to many of our European partners, increasing the mass and lethality of our Royal Navy and, importantly, improving the survivability for our crewed platforms.

I will quickly rattle through some of the questions that have been asked. Are we looking at novel financing methods? Yes, we are. My hon. Friend the Member for Stoke-on-Trent South (Dr Gardner) spoke about advanced ceramics; she is right to do so. I was happy meeting her before and I am happy continuing that discussion. I know the progress she is making. The hon. Member for Spelthorne will know that we have increased pay for our armed forces and are increasing the supply of ammunition and missiles through the munitions and energetics factories that we have already announced; I hope to provide further updates about the rapid procurement process that is under way in due course.

My hon. Friend the Member for Rossendale and Darwen (Andy MacNae) spoke passionately about the importance of Typhoon for his area. I was very pleased that the Government were able to secure the Typhoon deal with Türkiye, and I can assure him that we continue

to have conversations with a number of our other allies, further promoting the Typhoon as an essential platform for air defence. He is right to praise the work they are doing. I really liked the phrase he used about the best jobs being just down the road—that is echoed by colleagues right across the House. Indeed, my fellow south-west MP, the hon. Member for North Devon (Ian Roome), gave a good shout-out to regional jobs, which I enjoyed. It is right that we increase defence spending so that it can be felt in every single nation and region, and that is exactly what we are doing.

My hon. Friend the Member for Barrow and Furness (Michelle Scrogg) made a passionate case for submarines. Her constituents build them, and mine refit them in Devonport—teams working together, with Team Plymouth and Team Barrow, as well as the work that takes place in Derby. It is an important part of bringing together our nuclear enterprise.

I welcome the hon. Member for Newbury (Mr Dillon) speaking about the compelling vision in the SDR; he is right to do so. I am happy having a conversation with him about the tax credits issue, especially if he could bring small business examples.

My hon. Friend the Member for Aldershot (Alex Baker) was right to talk about the DSRB. I know she is passionate about this, as are a number of other Members. I am happy to meet her to talk further about it.

Finally, perhaps the most important part of this is our people. I was pleased that the hon. Member for Mid Dorset and North Poole (Vikki Slade) raised recruitment in an intervention. Let me say clearly that since September 2024, we have seen an 8% decrease in outflow from our armed forces and a 13% increase in inflow into our armed forces. As the hon. Member for North Cotswolds mentioned, we do need to do recruitment differently, which is why we have a new direct entry scheme for cyber, and we will go further on that.

Let the message go out clearly to our troops in combat operations around the world: they have our support and they have a Government who are increasing defence spending, putting their welfare at the centre of our future defence plans, ensuring that we move towards warfighting readiness with new equipment and new capabilities, and putting our people at the very heart of our defence plans.

Madam Deputy Speaker (Caroline Nokes): I call Tanmanjeet Singh Dhesi to wind up very briefly.

5.58 pm

Mr Dhesi: Along with extending my gratitude to the Backbench Business Committee, I thank hon. Members across the Chamber for the range and quality of the speeches they have made. They have underlined why these estimates day debates are so important; we have not just scrutinised the numbers, but explained the kind of defence posture that our armed forces should be adopting.

Given the increased security threats, I hope the Minister will take away why the House feels the urgency with which we must act. I thank him for addressing some of my concerns, but there are certain things on which I think the House still needs an answer, predominantly the defence investment plan—we need a publication date to give a clear demand signal to industry, our allies

and our adversaries—and a clear, hopefully incremental, path to chart towards 3% of GDP spending. We also need better vehicles to attract private investment. There is also the need to fix the perennial procurement problems that the Chair of the Public Accounts Committee and I have been trying to outline with respect to the MOD. Of course, we also need to rebuild trust with Treasury.

Thank you for your forbearance, Madam Deputy Speaker. I thank all hon. Members for enabling such an excellent debate.

Question deferred (Standing Order No. 54).

Department for Business and Trade

[Relevant documents: Thirteenth Report of the Business and Trade Committee, Priorities for the Business and Trade Committee for 2026, HC 1411; Oral evidence taken before the Business and Trade Committee on 6 January, on Post Office Horizon scandal: Justice for the sub-postmasters, HC 1598; Oral evidence taken before the Business and Trade Committee on 18 November 2025, on Financing the real economy, HC 1220.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2026, for expenditure by the Department for Business and Trade:

(1) further resources, not exceeding £1,726,964,000, be authorised for use for current purposes as set out in HC 1676,

(2) the resources authorised for capital purposes be reduced by £179,365,000 as so set out, and

(3) the sum authorised for issue out of the Consolidated Fund be reduced by £1,181,297,000.—(*Imogen Walker.*)

Madam Deputy Speaker (Caroline Nokes): I call the Chair of the Business and Trade Committee.

6 pm

Liam Byrne (Birmingham Hodge Hill and Solihull North) (Lab): At the end of a long day, let me express my gratitude to the Backbench Business Committee for providing us with this time to debate the supplementary estimates and the priorities of the Department for Business and Trade.

I rise to open this debate and simply make three broad points. This is an important debate because, of all of the supplementary estimates that have been laid before the House this afternoon, the Department for Business and Trade has had by far and away the most significant increase. Day-to-day spending has been increased by some £360 million, which is a rise of almost 18%. Investment spending has risen by £626 million, which is a 41% rise. Those are significant sums, so I pose the following questions to the Ministers. First, are these increases justified? Secondly, is the Department spending its money on the right priorities, given what we have heard from the business community? Thirdly, I want to underline this question about why there is not more significant support for small business, which is suffering what our Committee has found to be pandemic-style pressures but without a pandemic-style support package in place.

Let me start with the significant increases in the Department's supplementary estimates. Some £375 million has been provisioned extra to support British Steel. That takes the total support that this House has agreed under the Steel Industry (Special Measures) Act 2025 to about £710 million. That is a significant sum. I think it has broad cross-party support. Certainly, the House did not divide when we were recalled for that unusual hearing on a Saturday to agree to the passing of that Act. None the less, there is one significant question that we have to ask this afternoon: where is the steel strategy to go with the extra money that the House is being asked to agree?

When representatives from Tata Steel came before our Committee just a couple of weeks ago, they were very clear that there are now just eight weeks to save the steel industry in this country. Therefore, having passed that Steel Industry (Special Measures) Act, and having

[Liam Byrne]

been asked to agree this extra money, the House now has to ask the Minister today where that steel strategy is. As we know, a wave of subsidised Chinese steel is about to land on our shores. The United States has put up significant defences. The European Union has put up significant defences. We had significant defences, but they are about to come down in June. Industry is sending a message loudly and clearly to the Government that, unless they act and unless new defences and a steel strategy are put in place, we are looking at the end of the steel industry in this country. Thousands of jobs will go, along with a sovereign capability, which as a country we simply cannot afford to happen.

I would be very grateful if the Minister could explain how, if the House is to agree the spending, we are actually going to make sure that that money is not wasted, because there will be further policy measures in place to ensure that we do not lose our steel industry in the weeks ahead.

That takes me to the Post Office. Post Office provisions for the Horizon scandal and the payouts have now risen to about £1.2 billion. Our Committee has consistently criticised Governments of all stripes for not paying out the money to those victims much faster. The Committee has now agreed a further report on measures, which we think Ministers should take in order to ensure that justice is genuinely delivered to all of the victims of this scandal. That report will be published in a few days' time. The House is being asked to agree this increase in the provision to £1.2 billion, yet the question we have for Ministers is this: where is the provision that Fujitsu is supposed to be making? After all, the Fujitsu system was at least half the cause of this scandal.

We now think that the total cost of the Horizon scandal, when we add in the legal costs, will be something like £2 billion, yet when we asked the head of Fujitsu what provision he had made for contributing to that bill, the answer was zero. When we followed up with the auditors, they confirmed that the directors had acted within the law because the Government had not yet made any demands on Fujitsu for the money that should come back from that company in order to help fund it. Just to add insult to injury, this is a company that has taken a grand total of £362 million in new contracts over the past year alone. It promised us a moratorium on bidding for new contracts, but that moratorium turned out not to be real and was merely a press stunt.

Why are we not asking for more money from Fujitsu, so that we do not have to put up these provisions of £1.2 billion? I would be grateful if the Minister could answer that question.

Justin Madders (Ellesmere Port and Bromborough) (Lab): I have enjoyed an interesting few months on the Committee so far. Does my right hon. Friend agree that it is perplexing that we do not have any understanding as to why there is not more pressure being put on Fujitsu to come up with a figure? Fujitsu keeps saying that it is waiting for the outcome of the inquiry, but it has made a commitment and we would expect some kind of provision to be made to reflect that.

Liam Byrne: My hon. Friend is absolutely right. The chief executive of Fujitsu came before the Committee to say that Fujitsu did indeed have a moral obligation to

make a contribution. That is why we were so surprised when earlier this year, when we asked for him to return, he said that no provision had yet been made. For a company that is making hundreds of millions of pounds out of British taxpayers, it is simply egregious that it has not offered to pay, but it is also wrong that Ministers have not demanded that it pays up, and pays up quickly.

I have touched on a couple of the significant increases in the estimates. There are two more points I want to make in the time available. The second broad point is the question of whether the money that the Department for Business and Trade is asking us to approve is in line with business priorities. As a Committee, we spend a lot of time listening to the business community, and we set out priorities based on what the businesses we talk to when we travel the country think we should be focused on. On our last national road trip we visited seven cities and did many roundtables on that tour. Last year we had 1,000 witnesses appear before the Committee—three quarters in private and a quarter in public—and we received 168 bits of evidence as we set out priorities for the future.

We heard very clearly that what business is looking for is far more certainty about the investment environment for the years ahead. Businesses want a better return on investment. For that, they need energy costs and business rates to come down, and they need the skills system to be far more flexible and available. Critically, they need much better access to finance so that we can mobilise capital on a different scale. Trade deals need to become a gateway to increasing exports. Finally, they are asking for a lot more coherence in regulation. Right now people are being smothered in red tape, often because one Department is not talking to another.

As we look at those priorities and at the estimates in front of us, we see that certainty has improved. The spring statement was a step forward, and the Chancellor has increased her headroom significantly. That definitely takes risk out of the investment environment. But there is nothing in these supplementary estimates about driving down energy costs. There is nothing about driving down business rates. There is nothing about making the skills system better financed and more available, in particular to small business.

Where there is progress is in the extra £200 million for the British Business Bank and the £50 million for the growth guarantee scheme. That is significant, but it is probably not quite enough. Indeed, the evidence we have received suggests that the market for loan guarantees is probably about £2 billion bigger than the Government have provided for. If we want small and big business to have access to scale-up finance in particular, we need to make sure that the British Business Bank has a much bigger loan guarantee scheme available.

Finally, there was nothing in the estimates to roll back the very deep cuts to export support. At a time when we have basically finished signing the free trade agreements that are available to us as a country, it is surprising to the Committee that export support staff are being cut so aggressively. If we want to make the most of these new opportunities and new free trade deals, we would have thought that increasing export support would be a Government priority.

My final point is about the emergency facing small business. Right now, as I said in my introductory remarks, small business tells us that it is facing pandemic levels of

pressure without a pandemic-style support package. Labour costs have gone up. As we know, the national minimum wage has gone up, which in my view is a good thing, and the Employment Rights Act 2025, which will improve rights, is coming through. That is also a good thing. But when we add on the national insurance contributions, we must accept that labour costs will rise. That means that labour has got to become more productive, and that the skills system has got to become better available to small businesses. But when we add to that rising energy costs—so much higher; perhaps 50% bigger than before the covid crisis—the lack of regulation in third-party intermediaries, the increases in business rates, the costs from crime, the organised crime takeover of the high street, late payments and a lack of access to procurement, we see the crisis that small business now confronts.

Those are the priorities where we would have liked to have seen more action in the supplementary estimate. They will certainly be a focus of the Committee's scrutiny work over the course of the next year.

Several hon. Members *rose*—

Madam Deputy Speaker (Caroline Nokes): There will be an immediate four-minute time limit.

6.11 pm

Wendy Chamberlain (North East Fife) (LD): I will make some brief remarks. I note that the Department's estimates memorandum made specific reference to spending supporting the objectives to make the UK the best place in the world to do business, the best place to do business from, and to deliver great services to businesses. I will talk about a roundtable I held for hospitality businesses in my constituency last week. The organisations that attended varied hugely in size, turnover and business model—North East Fife is a place that generally people want to visit, and it caters for a number of visitors accordingly—but none of them thought that the Department for Business and Trade was making this the best place in the world to be operating.

Part of the reason for the debate was because the Department has increased its budgets for the British Business Bank and the growth guarantee scheme, which the Chair of the Business and Trade Committee mentioned. There are other sectors in North East Fife—we have seen losses in manufacturing, largely due to our departure from the EU, and we have the University of St Andrews doing groundbreaking work and research—but we are largely a rural economy, with farmers across the constituency.

Turning to hospitality, one of the issues raised at my business roundtable was the difficulty in accessing finance. Given that has already been raised by the Chair of the Committee, I hope that the Minister will address that point in particular. As has been already touched on, the feeling is that hospitality is being hammered from every direction at the moment—the question asked was: how much more can businesses take?

Across the board, businesses understood the reasons behind the changes to national insurance contributions, and they were supportive of the national living wage. Part of that is because most leaders in hospitality have worked their way up within the sector, and they know

that the hard work of the service industry deserves proper pay. But as business owners they are also acutely aware that their wage bills are going up unsustainably.

A significant amount of hospitality businesses' costs relate to staffing—some of them quoted 30% to 40%, or even higher. With the lower threshold for contributions dropping to £5,000, employees now pay national insurance on more of their employees' earnings, which means that many part-time roles have been impacted and part-time recruitment is no longer happening. More full-time roles are being recruited, which stops young people, for example, from finding that first rung on the hospitality ladder.

Business rates are also going up. As a Scottish MP, I appreciate that that problem lies squarely at the feet of the SNP Government in Scotland, who could pause this year's re-evaluations but are refusing to do so. I am grateful to my colleagues in the Scottish Parliament, who have secured hospitality reliefs in our budget negotiations with them. Food inflation—especially with the impact of tariffs—is a real concern, and the only real lever to control soaring costs is to cut back on training, hours and staff: those things that the Chair of the Business and Trade Committee said are so critical to delivering some of the change that the Government want to see.

The biggest ask that came from hospitality was to cut VAT from 20% to 15%, which is a move that the Liberal Democrats have been calling for for some time. I know that that is not in the gift of the Minister, but I urge him to make representations to the Treasury if we want this to be the best place in the world to do business. It is also a measure that would support hospitality across the UK, and I say that as a Scottish MP.

Hospitality is important for so many reasons. Last September, there were 2.6 million jobs in the hospitality industry and it is estimated to be worth £70 billion to our economy. It is also part of our community. That came across very strongly in the roundtable. On the day that my son was born, our local pub was across the road from our house and I went there to wet his head, because why should I miss out on all the fun? Since then, it is the place he has worked in and the place where he had his 18th birthday. We need to support these hospitality industries.

6.15 pm

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I congratulate the right hon. Member for Birmingham Hodge Hill and Solihull North (Liam Byrne) on securing this debate. I want to touch on three areas of Department for Business and Trade activity where the estimates and the funding it receives could be put to best use. One relates to the industrial energy problems that we face in this country, which I know the Select Committee has looked at. As the Minister is acutely aware, this has a direct impact on communities such as Stoke-on-Trent because of the foundation manufacturing industries that we still have that are energy intensive.

I very much welcomed serving on the delegated legislation Committee that passed the statutory instrument to extend the reduction in electricity costs by up to 90% for the supercharger. I know that some of the estimates, if approved today, will go towards funding that. As always, I want to press the Minister on whether, as well as increasing the amount that the discount can be applied

[Gareth Snell]

to, he would consider extending the scope of that discount to sectors that are currently outside it—namely, of course, the UK ceramic sector. It is not currently covered by the supercharger scheme, but a small amount of help would go a long way in securing the jobs in the communities that most need it.

I also want to talk about the fact that Stoke-on-Trent is a foundational area of ceramics that is gas-intensive. The Government have previously discussed the fact that gas is an international commodity, the price of which is traded on the world market. With the events that are taking place in the middle east, we are all expecting to see an increase in world gas prices. That could result in a hugely damaging economic hit to sectors that are not eligible for any other form of relief. If any part of what is being approved today in the Department could be used as a cushion for those sectors that are unable to bring down those costs in any other way, it would bring relief to parts of my community.

Some of the money that is being granted to the Department should be used to promote better buying British and building British procurement. The right hon. Member for Birmingham Hodge Hill and Solihull North has championed this, both in his role in this place and when he was running to be the West Midlands Mayor. He pulled together a wonderful strategy that I think we could learn from. Small and medium-sized businesses in Stoke-on-Trent tell me that they would love to do more business with the Government, public sector and commissioning bodies that have public money, but such contracts are often big and unwieldy and a challenge to access, as the businesses can meet only part of the contract rather than all of it. Anything we can do to break down those barriers to opportunities in procurement, and to focus on companies that make, build and employ people in this country, would bring an economic benefit to support communities up and down this country. Without costing the taxpayer any more, it would just be a better use of the money that we are spending.

Finally, I want to touch on how we do trade protection. I am not a protectionist. I do not believe that we should be putting arbitrary tariffs on things to prevent imports, but I do worry about the ever-creeping non-market economy. Countries such as China and increasingly, sadly, Türkiye, are using manufacturing in their own bases to import into this country to undermine domestic production with the intention that once our own country's ability to produce has gone down, they will raise their prices. That could involve tyres or ceramics, which would affect Stoke-on-Trent, or it could be other products that we become dependent on in this country. If we are not putting in the correct trade remedies to secure domestic production, or at least to make domestic production as competitive as imports, we run the risk of becoming dependent on countries on which we cannot rely for the things that we want to make and build in this country. That would be very damaging for our own national sovereign capabilities.

6.19 pm

John Cooper (Dumfries and Galloway) (Con): It is a pleasure to take part in this debate, and I congratulate the right hon. Member for Birmingham Hodge Hill and

Solihull North (Liam Byrne), who chairs the Business and Trade Committee on which I serve. As Chair of such a Committee, he is that rarest of things: capable of independent thought.

We know that growth is predicted to be sclerotic, and that is before global conflicts whip up the waters around us such that Labour's Britain is but a cork in storm-tossed seas. If growth truly were the mission, then the shock troops ought to be the Department for Business and Trade. Yet the Department's plans to cut 1,500 jobs have been branded "irrational and arbitrary" by the civil service's biggest union, the Public and Commercial Services Union. That is despite the 17.8% increase in day-to-day funding, plus extra capital compared with the main estimates that we have heard about today. The Minister for Trade, the hon. Member for Rhondda and Ogmore (Chris Bryant), has said that

"we're going to have to achieve more with fewer people"

—fine words and congratulations to the spads who crafted them, but the reality on the ground is we will inevitably get less done by fewer people.

What a disaster, just as free trade agreements—the fruits of Brexit from seeds planted by previous Conservative Governments—come piling in. We should be maximising these deals given that global economic power is shifting towards a Pacific rim with a burgeoning middle class. Our far too few DBT experts will have their ranks thinned, making it tougher for British firms to tap into lucrative markets abroad.

What does it say about this Government's ambition? They would rather rush back to the skirts of nanny Europe—familiar old Europe with its feeble growth—when we could be the trading nation that Adam Smith envisaged 250 years ago with his book, "The Wealth of Nations". We could and should be maximising the comprehensive and progressive agreement for trans-Pacific partnership, or CPTPP, giving us access to a market of 12 countries worth some £12 trillion and with 500 million potential customers. Even the EU, which never saw a trade deal it liked, is interested in joining.

The great prize in the much-vaunted but barely discernible "reset" with the EU is, we are told, a sanitary and phytosanitary deal supposed to smooth the way for agricultural goods, seafood and livestock into and out of Europe. It should not have taken the renegotiation of the entire deal to get—French, especially—customs to stop being le squad awkward. Worse, so-called dynamic alignment on SPS is a cage without a key, meaning that Britain will once again revert to being rule takers and not rule makers.

Turning to steel, I recall being in this place on that extraordinary Saturday listening to the self-congratulatory backslapping of Labour MPs hailing the saving of the industry in what was nationalisation in all but name. It seems to me that taxpayers are keeping blast furnaces alight with bundles of £20 notes, for the supplementary estimates earmarked £300 million for steel plants with no sign of the comprehensive steel strategy.

Perhaps nothing sums up more the meltdown of the sector under DBT's yoke than the reported news that the Dalzell plate mill in Scotland lacked the cash to buy slab steel from British Steel, risking the raw material that Navantia needs for the fleet solid support ships at their Harland & Wolff yard in Belfast. Not so much

for the want of a horseshoe nail the kingdom was lost, but for the lack of a cohesive DBT strategy, the steel industry and billions in cash may be lost.

For the wider economy, pivotal to each and every one of our constituents, the Department for Business and Trade looks like the linchpin which holds the wheels to the axle. The question is whether that pin is too small and too brittle.

6.22 pm

Antonia Bance (Tipton and Wednesbury) (Lab): I congratulate the Chair of the Select Committee, my right hon. Friend the Member for Birmingham Hodge Hill and Solihull North (Liam Byrne), on securing this important debate. I wish to align myself with the remarks he made about the need for a steel strategy to be published soon for clarity on how we will continue to support the steel industry of this country, given the difficult news coming out of the European Union and the difficult circumstances that the industry faces. As a proud metals MP from the Black Country, it could not be more important that we have a thriving British steel industry. I know the steel strategy will take this forward, and I look forward to hearing when it will be published.

As a manufacturing MP and manufacturing champion from the heart of the industrial revolution—indeed, where it started—I stand here to champion our industrial strategy, and particularly the work that the Department has done, as evidenced in these estimates, to support our automotive industry: the £2.5 billion to support DRIVE35 and the transition fund, the consumer subsidies for electric vehicles, and the investment in our charging infrastructure. Most importantly, as a west midlands MP from the heart of the automotive industry, the trade deal with the United States keeps our exports flowing and keeps 200,000 jobs live and thriving in the west midlands.

We must continue paying attention to the automotive industry more broadly. The Department needs to take a lead and ensure that the volume crisis that we are experiencing—production is down from nearly 1 million vehicles in 2016 to just under 800,000 last year—does not become an existential crisis for our automotive industry. In the past couple of weeks, Adient has announced that it will lay off 100 workers in my constituency. We are getting to the point where the UK supply chain will no longer exist for the parts of the automotive industry that we need.

I urge my friends in the Department for Business and Trade to consider—in conversation with colleagues in the Treasury and the Department for Transport—what more we can do to guarantee the future of the automotive industry. I urge the Government to bring forward the review of the zero emission vehicle mandate from 2027 to 2026, and to consider whether we ought to do something similar to the European Union, which has offered itself the flexibility to ensure that its automotive industries can thrive in the face of global headwinds. That may or may not be an issue for the Department of Business and Trade, but I know that the Minister is a champion for the industry and will continue to make the case for vehicle and automotive manufacturing.

On that point, I align myself with the points made by my hon. Friend the Member for Stoke-on-Trent Central (Gareth Snell) about energy costs. It is wonderful to go

out to my local businesses, to put the consultation on the British industrial competitiveness scheme in front of them, and to show them the standard industrial classification codes and that help is coming. The estimates must set out how that is funded, because we are not yet sure, and it must come sooner if at all possible.

The crisis is now. My businesses and manufacturing industry cannot wait much longer for the help they so desperately need with industrial energy costs. That help is coming; let us get it to those industries and manufacturing businesses, to ensure that manufacturing in this country continues to thrive. I know that is the expectation and the hope of this Government.

6.26 pm

Amanda Martin (Portsmouth North) (Lab): I will speak up for the small businesses and hard-working tradespeople in Portsmouth North and across the country—the backbone of our economy—and set out what the Government have already achieved and what more they must do.

Let me start with what this Labour Government have delivered. We passed the Employment Rights Act 2025, which is an historic alliance between workers and businesses, and gives 18 million employees the right to work that they deserve—I am proud of that. Strong workers' rights and a strong economy are not in conflict; they go hand in hand, because businesses that treat their workers well are businesses that thrive.

We have enacted our modern industrial strategy, which has already driven £70 billion worth of investment across Britain and can lead into the world. We have signed trade deals with India, South Korea and the EU, opening up markets for British businesses to export into, raising productivity and creating decent jobs. Griffon Marine, a Portsmouth-based business that makes hovercraft, is a prime example of a local company that has been able to grow thanks to our trading relationship with Japan. That is what trade deals mean in practice, not for multinationals but for proud and ambitious small businesses on the south coast.

We have made a start on backing our pubs and high streets, but, frankly, there is much more to do. We have introduced a new licensing policy framework to slash outdated red tape, which has held back our venues for far too long. We have protected pavement pints, fast-tracked permissions for al fresco dining, and given more permission for street parties and licensing hours. Developers will now be required to sound-proof new buildings near existing pubs and venues, protecting those much loved community spaces from noise complaints.

The Pride in Place impact fund programme by the Ministry of Housing, Communities and Local Government has given 340 communities, including Paulsgrove in Portsmouth, the money and powers to restore rundown pubs, push back on unwanted betting shops and vape stores, and bring life back to our high streets by spending on things that make people feel proud about where they live. My hon. Friend the Member for Portsmouth South (Stephen Morgan) and I are determined to use some of the Pride in Place impact funding to give our local businesses opportunities to scale up. That is about trust and pride in our neighbourhoods and local businesses, and I welcome it.

[Amanda Martin]

The Government have set out the small business strategy, a serious and comprehensive plan to end the scourge of late payments that crippled cash flow, and to provide small businesses with the skilled workers that they need. I was glad to see that the very first page of the strategy acknowledges the issue of tool theft, on which I have been campaigning since my election. I know the devastating impact that such theft has on self-employed tradespeople. A tool is stolen every 12 minutes in the United Kingdom. Last year alone, tool theft cost self-employed tradespeople £193 million. When we factor in loss of work, reputational damage, damage to vans and the high suicide rates in that profession, the true cost is far higher. I am glad that the small business strategy recognises that, and I hope the Minister will work with me on future plans to campaign to support our tradies.

I welcome the extra £4 billion that we have invested through the British Business Bank. It does important work, but I want to ask the Minister specifically about what we can do to help our defence colleagues. Access to finance in the defence sector is difficult, and in an ever-changing world, the need for agility extends opportunities for our small businesses. Will the Minister look seriously at joining the defence, security and resilience bank, because we could raise capital on global markets, guarantee loans, crowd in private finance, and provide the kind of multi-year, low-cost funding that protects production lines and supply chains? It is desperately needed. I ask the Government to look seriously at the proposal because it would give our small and medium-sized businesses the financial firepower to take on defence contracts and apprenticeships, and to scale up and deliver.

There are many positive points, but I agree with my right hon. Friend the Member for Birmingham Hodge Hill and Solihull North (Liam Byrne) who introduced the debate. Small businesses told me that we must look at energy costs, at business rates, at crime from theft to fraud, and at the workforce now and in the future. I am extremely proud of businesses in Portsmouth, from Portsmouth Aviation, which is helping Ukraine, to Bubble CiTea, a global company with a CEO who is a Pompey lad and has chosen to keep it there.

6.30 pm

Chris Vince (Harlow) (Lab/Co-op): I thank the Chair of the Business and Trade Committee, my right hon. Friend the Member for Birmingham Hodge Hill and Solihull North (Liam Byrne), for securing this debate with the Backbench Business Committee—I declare an interest because I sit on that Committee—and for his important and constructive opening speech.

I recently hosted a reception in Parliament for the Essex chamber of commerce, and skills were the No.1 issue raised with me. What has the Minister done, working alongside his counterparts in the Departments for Education and for Work and Pensions, to ensure that our young people have the skills they need for the workplace? Businesses in Harlow are screaming out for young people with transferable skills. I recently met Daniel Chandler, CEO of the Young Professionals Guild, which is a new organisation with a mission to support young people into the hospitality industry. He spoke about the gap between what young people come out of school with, and the skills that industry is asking for. He

has worked in collaboration with the fantastic Harlow College in its mission to decrease the number of young people who are not in education, employment or training—it has been very successful.

I welcome the recent education White Paper. What was important was not just the stuff on special educational needs and disabilities, although that got the headlines, but also the need to have a well-balanced and broad curriculum. Will the Minister ensure that this Government truly work cross-Department to ensure that the industrial strategy works alongside that curriculum? That is important, and once again I pay huge tribute to Harlow College.

The other issue that comes up when I speak to businesses in Harlow is energy costs. I will not try to make another ill-fated “reef” joke, but the Minister will be aware that Harlow has a coral farm, which is an example of a niche but energy-intensive business. I welcome that the Department for Business and Trade is focused on cutting energy costs and network charges for energy intensive industries by 90% as part of the British industrial competitiveness scheme, ensuring that UK business electric costs are in line with those across Europe. That is hugely important, particularly when we talk about trade.

Dr Allison Gardner (Stoke-on-Trent South) (Lab): My hon. Friend mentioned the cost of electricity, but ceramics is a gas-intensive industry, so I again make a plea that when considering support for businesses, we remember gas-intensive industries, which includes steel, and that we have a strategy.

Chris Vince: My hon. Friend is absolutely right, and I am sure the Minister will reflect on that when he responds to the debate.

In conclusion, I welcome much of what the Government are doing, much of which has been discussed already, such as the modern industrial strategy and £70 billion of investment, trade deals with India, South Korea and the EU, the small business strategy, and working to get energy costs down, although I emphasise that there is much more to do. I congratulate my hon. Friend the Member for Portsmouth North (Amanda Martin) on her work ensuring that we tackle tool theft, which is potentially a big issue for business owners in my constituency. We also have action to protect British Steel, and I echo comments about the need for a steel strategy. I ask the Minister to reflect on how we can continue to bring down energy costs for businesses, both electric and gas, and work with other Departments to focus on the skills that employers need.

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

6.34 pm

Mr Joshua Reynolds (Maidenhead) (LD): Britain is in the middle of a cost-of-doing-business crisis. I see it on my high street and I hear about it from local employers, and colleagues from across the House will hear exactly the same in their constituencies. From the Government’s national insurance hikes to sky-high energy bills and uncertainty over what the Employment Rights Act 2025 will mean in practice, British businesses are being pulled in one direction and then another. The Government say that they want to grow the economy, but significantly adding to the tax burden of the very organisations that are trying to do that does not help.

The increase in employers NICs is an unfair jobs tax, and its impact is being felt across the country. UKHospitality estimates that the combined impact of the autumn Budget has landed £3.4 billion in additional costs on the hospitality sector. Jobs are being lost, hours are being reduced and venues are closing. A Government who think that relaxed licensing laws will help hospitality when businesses are already reducing hours do not understand the sector. The Liberal Democrats voted against the NI jobs tax changes at every opportunity because we could see this coming. The Government now need to face the consequences of their own choices and scrap this jobs tax before the damage becomes irreversible.

In 2019, the Conservative Government promised a fundamental review of business rates, but they never delivered it. Now this Government have promised to revamp the system, yet we are still waiting for proper rebalancing. UKHospitality estimates that the average tax increase for hospitality would be 76% over the next three years, compared with warehouses at 16%, offices at 7% and large supermarkets at 4%. The businesses at the heart of our high streets are being asked to carry an unfair share of this burden, and the adjustments do not come close to fixing that.

I can point to a business in Maidenhead, in my constituency. Laura set up Piccolo Land less than a year ago. It is a children's role-playing village, and the kind of place that gives young families in Maidenhead a reason to come to town to spend time and to spend their money. When she started the business, her business rates valuation for a 2,500 square foot unit was £71,000—significantly more than her annual rent. She challenged that figure with the Valuation Office Agency and it was reduced to £42,000, but from April 2026 that bill will rise to £55,000. Laura has done everything right, but she cannot make this work. How do the Government expect businesses like this, which is barely a year old, serving young families and employing young people, to absorb that kind of increase? Maybe the Minister will be able to write to Laura to let her know which part of the Government's growth plan she is meant to be benefiting from, because we cannot find it.

Pubs, live-music venues, hotels, restaurants, cafés, and visitor and tourist attractions are all facing the same rising bills, collapsing margins and impossible choices between cutting staff, putting up prices or closing their doors. To add insult to injury, the Government's business rates U-turn is not going to fix the issue they have created, just make the pain less bad. The Government need to reduce VAT on hospitality, accommodation and attractions. This is not untested—the previous Government did that during the pandemic and it worked.

When asked about VAT cuts in December last year, the Government did not even attempt to justify their position. They simply pointed to business rates reform and moved on. Our high streets and town centres cannot wait for a Government who will not engage with that topic.

Every time we visit shops in our constituencies we will hear the same thing about shoplifting having effectively been decriminalised. Thieves do not fear consequences because there are none, and shoplifting has risen by 48% in England and Wales over the past five years. Shop owners tell me time and again that when they contact the police, they are told it is not an effective use

of resources to follow up on minor thefts. However, these are not minor thefts to the people running those businesses, and they are not minor to the staff, often young people, who are being put in harm's way simply for doing their jobs. With over 800 offences going unpunished every day, businesses are haemorrhaging money, driving up costs for consumers and pushing businesses to close their doors for good.

So here is a concrete proposal that the Government should adopt: a small shop needs about £6,500 for adequate modern CCTV, so the Government can make available grants for half that cost to every independent convenience store, and they can work with high street lenders to provide affordable loans to cover the rest. This is not just our idea: it is supported by the Federation of Independent Retailers.

I could go on about youth unemployment, shoplifting, business energy costs, Brexit or general trade barriers, but we do not have the time. What the Government have delivered is a jobs tax, broken business rates, unaffordable energy bills and a shoplifting epidemic that they refuse to take seriously. Businesses right across the country are resilient, but resilience has limits, and this Government have tested those limits to breaking point. The Government have the tools to act, but they need to use them to bring down the cost of doing business, because we are in a complete crisis.

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

6.39 pm

Gareth Davies (Grantham and Bourne) (Con): Thank you very much, Madam Deputy Speaker, not least for the promotion that you just gave me—I hope the Whips are listening. It is a genuine pleasure, even before the promotion, to respond to the debate on behalf of the official Opposition. I am grateful to all colleagues from across the House for what I think were pretty good speeches that supported local businesses and dealt with the issues at hand.

I also congratulate the Chair of the Business and Trade Committee, the right hon. Member for Birmingham Hodge Hill and Solihull North (Liam Byrne), on what I thought was an incredibly thoughtful, detailed and typical speech for him. As he will hear, it did not inspire my speech, which was pre-written, but I will echo a number of the points that he made so eloquently just a few minutes ago.

The theme of today is that, up and down the country, businesses, entrepreneurs and those they employ are the engine of our economy and the basis for our future prosperity. In so many sectors, it is British business that leads the way. Whether it is life sciences, defence, across professional services or in many other areas, businesses employ millions of people, undertake critical research and attract investment both here and overseas.

In the same sense, everyone who has contributed today, as will be the case for all MPs, will know of some SME in their constituency that seeks to grow, create jobs in their community and provide the bedrock of their local economy. The Opposition know that backing British businesses, both big and small, to grow, trade and invest means reducing the tax and regulatory burdens that they face. Over the past year, covered by the estimate before us today, the Government have indicated that

[Gareth Davies]

they disagree with that. Just this week, as a result, we have seen business confidence fall yet again, according to the Institute of Directors.

More than ever, I am afraid that Ministers across this Government, including in the Department for Business and Trade, are failing to drive economic growth. Indeed, do not take my word for it, but listen to the Labour Health Secretary and rival to the Prime Minister, who said that the Chancellor has no economic growth strategy at all in a text message to the disgraced Labour peer, Lord Mandelson. Some may question why the Labour Health Secretary is commenting on the economy, but then again he is used to dealing with things in critical condition. Put simply: British businesses need the Government to create a far better environment for firms big and small to trade and, critically, to hire people.

Let me turn specifically, and properly, to the detail of the estimate before us, and I wish to ask a few questions of the Minister. First, to build on the opening remarks of the Chair of the Business and Trade Committee, the supplementary estimate shows an increase to the Department's total managed expenditure of £1.5 billion, which is an uplift of 31%. For context, that is much higher than any other Department. In fact, the average in-year uplift for a Department under this Labour Government has been 4.6%—that is 31% versus 4.6%. In fact, last year also saw a large in-year uplift, when the departmental budget increased by some £1.8 billion, which was an uplift of 44.8%.

It feels like the Department is developing a pattern of asking Parliament to approve a budget in the main estimate, only to return months later asking for 30% or 40% more. This is far from supplementary; it is a Department that systematically underestimates its budget in the main estimate, and then returns to ask us for even more. As such, can I ask the Minister please to comment on why DBT is such an outlier compared with other Departments, and can I suggest that when its Ministers next come to Parliament with main estimates, they come with a better estimate of how much taxpayers' money they wish to spend?

One item that particularly jumped out to me in the 10 February 2026 estimates was the cost of the intervention in British Steel, which the right hon. Member for Birmingham Hodge Hill and Solihull North also alluded to. In a written answer to the shadow Secretary of State for Business and Trade, my hon. Friend the Member for Arundel and South Downs (Andrew Griffith), on 15 December 2025, the Minister indicated that the total cost to the Exchequer of keeping operations running at British Steel came to £274 million. However, pages 12 and 13 of the supplementary estimates that we are reviewing and discussing today seem to indicate a total cost of more than £830 million across resource departmental expenditure limit and capital departmental expenditure limit business group funding.

That is obviously a significant difference in cost, so when the Minister stands up, I would appreciate it if he could set out the detail of what this is all about. Whatever answer the Minister provides, given that we are still awaiting a steel strategy, as many Members have alluded to, is it not the case that the Government are asking Parliament to approve hundreds of millions of pounds in retrospective spending on an industry they do not

really know how to support, and on a company whose future remains undecided and whose costs seem to be open-ended? I would really appreciate it if he could give a detailed answer.

Finally, I turn to the British Business Bank—an organisation that I admire, that I like, and that I had the pleasure of overseeing from within the Treasury. When I looked at the supplementary estimate, I noted that the additional capital DEL that is being provided to DBT for the growth guarantee scheme, which supports business lending, is to the tune of £50 million. Meanwhile, the British Business Bank's financial capacity has increased to £25.6 billion, and it also has a new industrial strategy growth capital initiative.

The growth guarantee scheme is a perfectly legitimate use of Government funds—it creates Government-backed business lending and performs an important role in the economy. However, according to page 7 of the supplementary estimate, an additional £50 million has been provided to DBT this year, so it is natural that I want to ask a few more questions about the scheme. First, can the Minister tell us what the default rates are for the loans provided by this scheme, and how does he square that with the additional £50 million of capital? Secondly, it is critical to know whether those loans and that amount of money are complementing private lending, or are actually displacing it. What analysis has the Department done to provide this House with an adequate answer that will get us comfortable with approving that £50 million?

From increased taxes to additional red tape, the Government have soured business confidence, and it is working people who are paying the price for their higher unemployment and higher prices. No matter how many billions are spent by the Department and then increased at supplementary estimates, that fact will sadly always remain.

6.48 pm

The Parliamentary Under-Secretary of State for Business and Trade (Chris McDonald): I thank everyone who has participated in today's debate. I particularly thank my right hon. Friend the Member for Birmingham Hodge Hill and Solihull North (Liam Byrne) for opening the debate, as well as for his work as Chair of the Business and Trade Committee, and the members of that Committee who have spoken in today and produced a number of reports in this Parliament. I have very much enjoyed reading those reports, and they have been drawn on extensively during this debate. Members have made some incredibly important and pertinent speeches, and in the time available, I will try to trot through some of the answers at pace. Forgive me in advance if I do not manage to respond to everyone: I am happy to write and fill in any detail that might be missing afterwards.

I will start with the overarching strategy of the Department and why it has produced these estimates. The Department has reset our programme of spend around our growth mission and our industrial strategy. Our major investments in key sectors, combined with efforts to attract private capital, will ensure that taxpayers' money is used effectively. At the same time, we are ensuring that the right resources are going into delivering our small business plan, creating the right conditions for small businesses to grow. I will say more on that shortly, as I know that many Members are concerned about small businesses.

I also need to explain, as it was mentioned by several Members, the rationale behind the in-year budget increase. It is primarily for three activities—British Steel, the Post Office and the British Business Bank. There has been a £1.351 billion increase in the annual managed expenditure budget, recognising that additional provisions are needed for postmaster compensation. That covers funding for the capture redress scheme, and for redress to family members of postmasters impacted by Horizon. There is a £626 million increase in capital department expenditure limits, largely for two reserve claims. The first is £375 million of funding for the Department's support for British Steel, and the second is £200 million for growth sector businesses via the British Business Bank, to help more firms to scale up and become home-grown success stories. The reserve claim will ensure that we do not unnecessarily restrict the bank.

The shadow Minister queried why the Department is coming back with estimates, as it also did last year. Fundamentally, that is partly built into the structure of the British Business Bank. In order to provide the bank with the level of in-year flexibility that it needs to work with fund managers and draw down investment in businesses, it is important that the bank is not restricted at the outset and that we do not overcompensate or undercompensate the bank. That is one of the primary reasons why the Department is an outlier among the estimates. It is actually a sign of a well-functioning Department and a very well-functioning element of the British Business Bank.

I turn to some of the specific items. Given the scale of the support for the steel industry, I shall start there. It was raised by the Chair of the Select Committee and many other Members. Our steel industry is of course strategically important as part of British heavy industry, supporting the UK's industrial base, our construction sector and our national and economic security, as we heard in the earlier estimates debate on the Ministry of Defence. Transforming the steel sector is essential for securing a competitive, modern and sustainable industrial base, ensuring the UK can meet its long-term net zero commitments while maintaining critical domestic capability.

Our commitment to the sector is evident in the intervention we made in April last year at Scunthorpe to ensure uninterrupted steel production and avoid the permanent and disorderly closure of the UK's last operating blast furnaces, the Queen Anne and the Queen Bess in Scunthorpe. Government officials are continuing to provide on-site support in Scunthorpe, ensuring uninterrupted domestic steel production and carefully monitoring the use of taxpayer funds.

Several hon. Members mentioned the steel strategy, including my hon. Friend the Member for Tipton and Wednesbury (Antonia Bance). We have a commitment to publish the strategy early in 2026. We had hoped to publish it before Christmas but we thought it best to publish it alongside the trade measures following changes in trade arrangements. We have worked carefully with the industry, UK Steel and the trade unions, and I hope that we will bring the proposals on trade and on the steel strategy to the House in a very short time.

I commend the management, the trade unions and the workforce at Scunthorpe on their diligence in this period. In difficult circumstances, they have achieved an excellent health and safety performance in stabilising operations. I also commend the commercial team at

Scunthorpe for their high-speed rail order from Turkey. I think we can all take great pleasure in steel exports from the UK to Turkey. The shadow Minister was concerned that the Government did not have the know-how to support the industry. I can tell him that, having worked for 29 years in the industry myself, I am exercising very careful oversight of the production and operational activities of British Steel.

Several Members queried the numbers. To date, the Government have spent approximately £370 million on support for British Steel, covering items such as raw materials, salaries and unpaid bills. I understand the concern, but I note that that is still less than half the amount that the previous Government spent last time British Steel was in great difficulties. They simply flipped the business out to Greybull, a company that could not even run Rileys snooker halls without Rileys going into administration. This Government are developing a steel strategy, and planning to ensure that we maintain our ironmaking capacity at Scunthorpe as well.

More broadly, the Government are committed to providing up to £2.5 billion to support the UK steel industry. Funding and financing for steel companies is being delivered via the National Wealth Fund and direct support, including an additional £500 million grant for Tata Steel at Port Talbot and support for the official receiver's sale process for Speciality Steel's UK sites in Rotherham and Stocksbridge. Separately, the Government have committed an additional £420 million to new investment in Sheffield Forgemasters to expand capacity further as a direct result of the AUKUS submarine deal, bringing our total investment in Forgemasters to over £1.3 billion.

That was the first item; the second is the Post Office. I should begin by acknowledging the sub-postmasters who were impacted by the Horizon scandal, and, again, thanking my right hon. Friend the Member for Birmingham Hodge Hill and Solihull North and the members of his Committee for their support and their challenges on these issues. The Government welcome that scrutiny. My right hon. Friend said that the Committee would publish a new report in the coming days, and we stand ready to review and respond to it.

I can confirm that we have now paid redress to more than 11,300 postmasters and made redress payments of £1.2 billion. My hon. Friend the Member for Ellesmere Port and Bromborough (Justin Madders) and the Chair of the Committee were concerned about Fujitsu, as am I. Fujitsu has accepted that it bears a moral responsibility for what has happened, and has expressed its willingness to contribute financially. Let me make it clear that Fujitsu will have to pay. As for the amount that it will have to pay, it is important for the inquiry to complete its work and publish all the volumes of its report so that we can establish the level of compensation.

In respect of small business support, a number of issues were raised in connection with energy efficiency and energy costs. My hon. Friend the Member for Tipton and Wednesbury mentioned the British industrial competitiveness scheme. There are a number of other kinds of support for energy efficiency in small businesses, but I have already committed myself, at the Dispatch Box, to looking further at what can be done in that regard. The hon. Member for Maidenhead (Mr Reynolds) asked what we could do for Laura. I would direct Laura towards our plan for small businesses, which includes

[Chris McDonald]

legislation on late payments, a business growth service and tailored support for high streets, which, hopefully, she will find helpful.

Catherine Atkinson (Derby North) (Lab): We are seeing fantastic and significant investment and regeneration in our city centre in Derby, but it still bears the scars of 14 years of austerity and neglect. Will the Minister tell us a bit more about how the Government are helping businesses to grow?

Chris McDonald: Look out for our plan for high streets, which will be published shortly.

My hon. Friends the Members for Stoke-on-Trent Central (Gareth Snell) and for Stoke-on-Trent South (Dr Gardner) mentioned the gas-intensive nature of ceramics businesses. I am aware of that, and am looking at it very carefully.

I hope that I have been able to trot through some of the main issues. I now want to leave some time for the Chair of the Committee to make some concluding remarks.

6.58 pm

Liam Byrne: This is the most extraordinary country on earth. It is the home of the industrial revolution, and the home of the scientific revolution. It is a country with an abundance of ideas, and also a place that is blessed with trillions of pounds of long-term investment capital. If we in this House cannot put together a shared agenda for ensuring that our rate of growth is faster and living standards rise, we do not deserve to be here.

This has been an excellent debate, and I have really appreciated the way in which the voice of business, large and small, has been heard loud and clear. I think the Minister will go away from today's debate with real clarity from this House that we expect to see the steel strategy on the table pronto. We expect much more aggressive action to drive down energy costs, we want to ensure that our manufacturing base is better supported and, crucially, we want to support the tradespeople whom my hon. Friend the Member for Portsmouth North (Amanda Martin) talked about, and the small businesses and high street businesses that my hon. Friend the Member for Harlow (Chris Vince) talked about. These are the people whom we are here to represent, and they deserve to have a policy that has their backs.

Question deferred (Standing Order No. 54).

7 pm

The Deputy Speaker put the deferred Questions (Standing Order No. 54(6)).

SUPPLEMENTARY ESTIMATES 2025-26

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Resolved,

That, for the year ending with 31 March 2026, for expenditure by the Foreign, Commonwealth and Development Office:

(1) the resources authorised for current purposes be reduced by £595,921,000 as set out in HC 1676,

(2) the resources authorised for capital purposes be reduced by £228,252,000 as so set out, and

(3) a further sum, not exceeding £6,190,000, 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.

MINISTRY OF DEFENCE

Resolved,

That, for the year ending with 31 March 2026, for expenditure by the Ministry of Defence:

(1) further resources, not exceeding £21,545,924,000, be authorised for use for current purposes as set out in HC 1676,

(2) further resources, not exceeding £63,680,000, be authorised for capital purposes as so set out, and

(3) a further sum, not exceeding £571,284,000, 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.

DEPARTMENT FOR BUSINESS AND TRADE

Resolved,

That, for the year ending with 31 March 2026, for expenditure by the Department for Business and Trade:

(1) further resources, not exceeding £1,726,964,000, be authorised for use for current purposes as set out in HC 1676,

(2) the resources authorised for capital purposes be reduced by £179,365,000 as so set out, and

(3) the sum authorised for issue out of the Consolidated Fund be reduced by £1,181,297,000.

The Deputy Speaker then put the Questions on the outstanding estimates (Standing Order No. 55(1) and (2)).

Madam Deputy Speaker (Caroline Nokes): With the leave of the House, I will put the Questions on motions 3 to 8 together.

ESTIMATES 2026-27 (NAVY) VOTE A

Resolved,

That, during the year ending with 31 March 2027, a number not exceeding 40,000 all ranks be maintained for Naval and Marine Service and that numbers in the Reserve Naval and Marines Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2026-27, HC 1660.

ESTIMATES 2026-27 (ARMY) VOTE A

Resolved,

That, during the year ending with 31 March 2027, a number not exceeding 99,180 all ranks be maintained for Army Service and that numbers in the Reserve Land Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2026-27, HC 1660.

ESTIMATES 2026-27 (AIR) VOTE A

Resolved,

That, during the year ending with 31 March 2027, a number not exceeding 35,800 all ranks be maintained for Air Force Service and that numbers in the Reserve Air Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2026-27, HC 1660.

ESTIMATES, EXCESSES 2024-25

[Relevant document: 68th Report of the Committee of Public Accounts, Excess Votes 2024-25, HC 1711.]

Resolved,

That, for the year ending with 31 March 2025, resources, not exceeding £2,566,041,000, be authorised to make good excesses for use for current purposes as set out in the Statement of Excesses 2024-25, HC 1678.

SUPPLEMENTARY ESTIMATES 2025-26

Resolved,

That, for the year ending with 31 March 2026:

(1) further resources, not exceeding £44,628,435,000, be authorised for use for current purposes as set out in HC 1467, HC 1587, HC 1634, HC 1671, HC 1675, and HC 1676,

(2) the resources authorised for capital purposes be reduced by £10,047,543,000 as so set out, and

(3) the sum authorised for issue out of the Consolidated Fund be reduced by £5,585,877,000.

ESTIMATES, VOTE ON ACCOUNT 2026-27

Resolved,

That, for the year ending with 31 March 2027:

(1) resources, not exceeding £430,307,374,000 be authorised, on account, for use for current purposes as set out in HC 1586, HC 1609, HC 1633, HC 1670, HC 1672, HC 1677 and HC 1680,

(2) resources, not exceeding £90,151,393,000, be authorised, on account, for use for capital purposes as so set out, and

(3) a sum, not exceeding £422,048,736,000, be granted to His Majesty to be issued by the Treasury out of the Consolidated Fund, on account, and applied for expenditure on the use of resources authorised by Parliament.—(Mark Ferguson.)

Ordered, That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Chancellor of the Exchequer, James Murray, Lucy Rigby, Torsten Bell and Dan Tomlinson bring in the Bill.

SUPPLY AND APPROPRIATION (ANTICIPATION AND ADJUSTMENTS) (No. 2) BILL

Presentation and First Reading

Dan Tomlinson accordingly presented a Bill to authorise the use of resources for the years ending with 31 March 2025, 31 March 2026 and 31 March 2027; to authorise the issue of sums out of the Consolidated Fund for those years; and to appropriate the supply authorised by this Act for the years ending with 31 March 2025 and 31 March 2026.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 397).

Business without Debate**DELEGATED LEGISLATION**

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

MEDICINES

That the draft Human Medicines (Amendment) Regulations 2026, which were laid before this House on 29 January, be approved.—(Mark Ferguson.)

Question agreed to.

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

ELECTRICITY

That the draft Electricity Supplier Payments (Amendment) Regulations 2026, which were laid before this House on 2 February, be approved.—(Mark Ferguson.)

Question agreed to.

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

EMPLOYMENT AND TRAINING

That the draft Industrial Training Levy (Construction Industry Training Board) Order 2026, which was laid before this House on 2 February, be approved.—(Mark Ferguson.)

Question agreed to.

St Piran's Day

Motion made, and Question proposed, That this House do now adjourn.—(Mark Ferguson.)

7.3 pm

Perran Moon (Camborne and Redruth) (Lab): Meur ras, Madam Deputy Speaker. It is a great privilege to stand here today to mark tomorrow's St Piran's day 2026, and I am grateful to the Minister for being here. St Piran's day matters enormously to many people in Cornwall, including those in my Camborne, Redruth and Hayle constituency. As we gather here on the eve of Cornwall's national day, black and white flags are already being raised across the Duchy and around the world, children are practising traditional dances, and communities are preparing to celebrate their heritage with pride. In the wider Cornish diaspora—stretching from Mexico to California, New York, Toronto, Hong Kong and Australia—St Piran's day is a 24-hour event, bringing people together in a shared identity that is deeply cherished and increasingly recognised.

St Piran's day is not merely a date in the calendar; it is a celebration of an important story that binds together Cornish people across the globe. The feast of St Piran honours the patron saint of Cornwall, who is of course also the patron saint of tin miners. His legend begins in fifth-century Ireland, where, so legend goes, he was bound to a millstone and thrown into a stormy sea by jealous local kings, only to float to safety on the shores of Cornwall. Once there, he is said to have discovered tin smelting. As he built a fireplace from black stone, the metal seeped out in the heat—tin flowing from the dark ore.

Noah Law (St Austell and Newquay) (Lab): I am delighted to hear that story, for the first time, of St Piran smelting tin. Does my hon. Friend agree that, if St Piran could have a tin smelter in the fifth century AD, it is not too much of a stretch to imagine we could have one today in Cornwall, and that we would once again smelt tin?

Perran Moon: I thank my hon. Friend for his excellent observation. If St Piran can do it, we should be doing it today. I totally agree with him and, in a humorous way, he makes a very valid point.

This simple, powerful image is immortalised in our flag—a white cross on a black background—symbolising not only tin emerging from ore, but light from darkness and hope from hardship. It is a symbol of industry, resilience and Cornish pride. Mining has shaped Cornwall's destiny, sending Cornishmen and women around the globe with skills in engineering, mining and metalworking. These pioneers have left their footprints of Cornish life far from home, with Cornish pasties in Mexico, Cornish churches in Australia and Cornish customs around the world.

Anna Gelderd (South East Cornwall) (Lab): I congratulate my hon. Friend on securing this really important debate. He talks rightly about our pride in our industrial heritage and in the industrial future we will secure when we work together with all communities to celebrate Cornish innovation. The right place for Cornwall is at the heart of our green revolution, and does he agree that the work over the last year is really about celebrating that as

we celebrate St Piran's day tomorrow? I also take this opportunity to wish everyone a very happy St Piran's day for tomorrow.

Perran Moon: Again, I thank my hon. Friend for making a very important point. I will come on to that point a little later in my speech, but the future for Cornwall is very much around the new industries of the 21st century.

Today, these global connections endure. At the end of last year, I was pleased to host here in Parliament the launch event for Global Cornish, which is a vibrant, growing network reconnecting the Cornish family worldwide through heritage, industry and culture. Cornwall's story has always been one of outward-looking industry. Today, we celebrate not only who we were, but who we are and who we are becoming.

No discussion of Cornish identity is complete without recognising the enormous step taken last year for the Cornish language—Kernewek. On 5 December, the United Kingdom formally notified the Council of Europe that it was applying part III of the European charter for regional or minority languages to Cornish. This is not symbolic; it is substantial. Part III status requires the Government to deliver 36 specific commitments across education, justice, public administration, culture, media and economic life. It means recognition, for the first time, that Cornish is not simply a cultural artefact, but a living language that deserves support, a nurturing framework and proper institutional backing. These commitments matter. They will shape the next generation's access to Cornish in schools, the visibility of the language in public life, and the availability of media and cultural resources that are free to access to learn Kernewek. They also come with obligations that the Government must meet. I have written to the Prime Minister to request that this commitment is matched by delivery. The revival of Kernewek in recent decades is one of the great cultural stories of this island, but we should be ambitious. Language is not merely something to preserve; it is something to promote, celebrate and embed for future generations.

When we talk about the future of Cornwall we must, alas, talk about devolution. Cornwall is a mature, stable unitary authority with deep experience of strategic planning, economic development and cultural engagement. It must be treated as a single strategic authority with the same powers available to a mayoral combined authority.

Noah Law: Does my hon. Friend agree that Cornwall is not just a proud Celtic nation, but also a functional economic geography in its own right?

Perran Moon: Yes, from anyone looking at the map and seeing that we are surrounded by sea on three sides, to the origin of the name "Cornwall"—"foreigners at the end of the peninsula"—it is very clear where our cultural heritage lies.

My objective on devolution is clear: bold, flexible and meaningful powers that strengthen our communities and allow Cornwall to overcome many of the challenges that we face, as well as exploiting the huge opportunities ahead of us. This is not devolution simply to fill a point on a map. It is devolution for housing, transport, economic development and the cultural wellbeing of our people. It must recognise Cornwall's unique geography—which

my hon. Friend has just mentioned—culture and economy, and not force us into a model designed for English metropolitan areas with a completely different set of characteristics. It must be a bespoke devolution arrangement for Cornwall.

The reason behind that is that the Cornish are the only people in the UK with national minority status who do not yet have access to the highest levels of devolution. This is our moment to deliver powers and funding to Cornish communities for the Cornish economy to flourish. It is not a case of special treatment; it is a case of fair treatment which respects our national minority status.

Of course, these constitutional and cultural issues matter because they shape outcomes. They shape lives. Cornwall is a beautiful place, but anyone who represents Cornwall—or indeed lives there—knows that behind the postcard image lies a humble but brutal truth. The “Pretty Poverty Report” published last year sets this out with clarity and compassion. It describes the inland deprivation that hides in plain sight: low pay, seasonal work, insecure housing, fragile transport links and limited access to essential services. This is why an English metropolitan devolution arrangement will not cut it in Cornwall, I am afraid. The realities of life in Cornwall are found in the stories we hear every week: families priced out of their own communities; people commuting impossible distances, because local wages simply cannot cover the cost of rents; young people leaving the duchy, because opportunities are too few and housing too scarce; and costly public services that are barely fit for purpose. But Cornwall does not wear its hardship on its sleeve. It is not always visible. And that is precisely the problem.

Government tools, including the indices of multiple deprivation, still fail to adequately capture coastal deprivation, rural isolation and seasonal economies. They systematically underestimate the challenges faced by remote coastal communities such as ours. And when you underestimate need, you underfund solutions. The Government’s fair funding review, and specifically the remoteness adjustment included last summer, is a step in the right direction. The Treasury’s Green Book review was also welcome, recognising that national investment decisions have historically undervalued place-based need. But those steps can only be the beginning. The message from the “Pretty Poverty Report” is clear: we need more accurate measures, more responsive funding mechanisms and more sustained investment.

Noah Law: I thank my hon. Friend for giving way again. I welcome his statement on the Green Book review. It is really important that we get infrastructure investment in place. Does he agree with me that the Labour Government are already doing an awful lot, whether that is record funding for roads or the record local government funding settlement—not that we would know it from some of the comments from the council? Does he agree that the Labour Government are already doing a huge amount by way of investment in Cornwall?

Perran Moon: My hon. Friend again makes very valid points, some of which I will be coming to a little later. The Labour Government are investing in Cornwall, which is why it is so important to get the basics right. For me, so many of our challenges come back to housing.

The stories in the “Pretty Poverty Report”—hundreds of families competing for a handful of rentals, communities hollowed out by affordability pressures and key workers unable to live near their place of work—mirror exactly what I hear at my surgeries and on the doorstep. Housing, and the infrastructure required to support it, is the single greatest threat to Cornwall’s future. Unless we address it, every other challenge becomes much harder. That is why Cornwall needs a strategic place partnership with Homes England.

Linked to those pressures is public transport—another area where our national systems were never designed for a duchy at the end of a long peninsula. Transport poverty is real: research shows it is one of the largest drivers pushing rural households into hardship. In Cornwall, car ownership is not a luxury but a lifeline. Without a car, many people cannot access work, healthcare or education, or even get to the nearest affordable shop. In Westminster’s funding models, car ownership is seen as a sign of affluence, largely because in many metropolitan areas public transport connectivity is such that residents simply do not need a car, but that not the case in Cornwall. When First Bus withdrew from Cornwall, citing financial pressures and the commercial unviability of rural routes, it reinforced what we have been saying for years: rural transport cannot be run on a purely commercial footing.

Rail links out of the duchy are similarly strained, with weather-linked delays frequent and connections unreliable. During moments of crisis, such as Storm Goretty on 8 January, when winds reached 111 mph, ripping roofs from buildings and uprooting trees, the weaknesses of our network are brutally exposed. As my hon. Friend the Member for St Austell and Newquay (Noah Law) said, this Government have invested more than £100 million into Cornish businesses; if they want the Cornish economy to grow and Cornish people to work, learn and thrive, they must ensure that Cornwall, as a remote coastal community, is not left behind.

However, alongside those challenges lie extraordinary opportunities. Cornwall is at the forefront of some of the most exciting and strategically important sectors in the UK economy: critical minerals, renewable energy, maritime and space, agrifood and geothermal innovation. We celebrate £25 million invested into South Crofty to bring tin mining back and £31 million into Cornish Lithium to support the transition to a clean energy economy. The UK’s first geothermal power plant was switched on just last Thursday, generating clean electricity 24 hours a day for 10,000 homes. This comes alongside new production of lithium carbonate, which is vital for battery manufacturing. We must also celebrate the £30 million Kernow industrial growth fund that the Chancellor announced in the Budget, investing to unlock industrial growth.

Cornwall is not just part of the UK’s clean energy transition; the Cornish Celtic tiger is leading it. With geothermal heat, geothermal power, critical minerals, modern mining, space technology, offshore renewables, high-value agrifood and floating offshore wind, Cornwall is at the cutting edge.

Tomorrow, people from Sennen to Saltash will proudly wave the black and white of our flag, children will learn the story of St Piran and communities will celebrate the spirit that has carried Cornwall through centuries of change. St Piran’s day is a celebration of not only our

[Perran Moon]

past, but our future; a future where Cornwall's identity is recognised, our language supported, our economy empowered, our transport strengthened, our housing crisis addressed and our communities given the powers to shape our own future. Gool Peran Lowen, Madam Deputy Speaker—happy St Piran's day.

7.18 pm

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Miatta Fahnbulleh): I congratulate my hon. Friend the Member for Camborne and Redruth (Perran Moon) on securing this debate and on his tireless work on behalf of Cornwall and its residents. I will also take this opportunity to recognise the significant role that Cornwall plays economically and culturally for both the south-west and the United Kingdom.

St Piran's day is an important moment to celebrate the historic county of Cornwall. Historic counties are an important element of local traditions that support the identity and cultures of many of our local communities, giving people a sense of belonging, pride and community spirit. In recent years, St Piran's day has grown into a modern celebration of Cornwall's culture, language and history; a day that reflects not only pride in Cornwall's past, but confidence in its future.

As an example, we can look at Cornwall's strong industrial legacy in mining—a history often traced back to St Piran himself, who is said to have discovered tin. That legacy now speaks to Cornwall's future as the county evolves to embrace new opportunities in clean and renewable energy, carrying forward a tradition of innovation in a modern, sustainable form.

I agree with my hon. Friend that, culturally, Cornwall remains unique across England, with its national minority and protected language status, and I celebrate the rich heritage that Cornwall brings to this country. However, the beauty of Cornwall's countryside and coastline can often mask the reality of living and working in the county. This Government are committed to working together with local leaders to overcome those issues, driving growth and unlocking investment.

My Department is taking steps to boost local growth through devolution and investment, which will see us working closely with local leaders to support growth and make the most of the opportunities in each and every part of the area.

Recognising Cornwall's successful delivery of the UK Shared Prosperity Fund through the good growth programme, the recently announced £30 million Kernow fund is an exciting opportunity to support growth. This was created especially for Cornwall, in recognition of its comparative sectoral advantages in key areas of the UK's industrial strategy. Decisions on the fund will be devolved to Cornwall council, in line with the Government's devolution agenda, empowering local leaders to invest in projects that best meet local needs. I would like to take this opportunity to thank our Cornish MPs and my hon. Friends for their tireless work in ensuring and securing this important investment and in championing the huge comparative advantage of the area.

Devolution remains a critical tool for this Government to unlock growth. There is a strong opportunity for Cornwall to build on its existing devolution agreement.

Officials in my Department are currently working with Cornwall council to discuss next steps and to maintain momentum on this exciting next phase of empowering our local leaders.

Housing, as my hon. Friend pointed out, remains one of the most pressing challenges in Cornwall. Managing the impact of second homes while increasing the supply of affordable housing is fundamental to ensuring that young people who have grown up in Cornwall can afford to build their lives there.

To help support housing in Cornwall, this Government have confirmed a new 10-year, £39 billion social and affordable house building programme at scale across the country. Through Homes England, my Department is working closely with Cornwall council and welcomes the publication of the Cornwall housing growth prospectus launched last year.

Homes England is committed to working with the council to unlock the opportunities and constraints for the county and to work collaboratively to ensure that we are unlocking the housing development that we all want to see. Alongside this, the Government are committed to delivering better infrastructure and services, so that everyone has access to a suitable mode of transport, enabling them to live healthy and fulfilling lives. That is why we have provided significant transport support to Cornwall, as well as £221 million in local highways maintenance funding to repair and renew its roads and fix potholes over the next four years.

I am also pleased to re-emphasise our Government's commitment to building a society where all communities feel acknowledged. It was with great pleasure that, in December 2025, the Government granted the Cornish language further recognition under part III of the Council of Europe's European charter for regional or minority languages. Granting part III recognition acknowledges the efforts of many who have been part of the revival of the Cornish language, and who are giving communities the opportunity to speak, listen to and appreciate it. Most importantly, celebrating and protecting our regional and minority languages allows us to connect with our history and provide a foundation for diversity to flourish.

I understand that there are particular challenges that coastal communities face and recognise that recent storms across this winter have brought disruption to residents across Cornwall. Officials from my Department and across all Departments will continue to support partners across the Devon, Cornwall and Isles of Scilly local resilience forum on impact and recovery, co-ordinating cross-Government engagement to help residents and businesses that we know are still impacted.

In conclusion, I again thank my hon. Friend the Member for Camborne and Redruth for securing the debate. It is consistent with the passionate, committed and persistent way in which he and my hon. Friends who represent Cornwall are such amazing advocates for their place. I look forward to continuing to work closely with our Cornwall MPs as we deliver this Government's agenda, secure the devolution deal and work together to ensure that we unlock the huge economic and local potential of this amazing part of the country.

Question put and agreed to.

7.24 pm

House adjourned.

Westminster Hall

Wednesday 4 March 2026

[MATT WESTERN *in the Chair*]

NHS Capital Spending

9.30 am

Bobby Dean (Carshalton and Wallington) (LD): I beg to move,

That this House has considered NHS capital spending.

It is a pleasure to serve under your chairship, Mr Western. I am grateful to have secured this debate on NHS capital spending. This subject goes right to the heart of how the NHS functions, and yet it is not discussed enough in this place. I had a look through some ministerial statements and questions in preparation for this debate, and I found that we often talk about staffing, specific illnesses, waiting times and other operational performance issues, but the simple truth is that all these challenges will be much more difficult to deal with until we improve NHS buildings, equipment and technical infrastructure. I get it: it feels much more impactful and immediate to talk about lifting nurses' pay or commissioning a new medicine, and those things are important. But however arduous the process, or however far beyond our electoral terms the output of capital investment may be, it is vital for the long-term healthcare of our constituents that we fight for these slow returners, too.

Lisa Smart (Hazel Grove) (LD): My hon. Friend is starting to make a compelling point. In my local area, Stepping Hill hospital has a reported repairs backlog of £138 million. That means, in practice, that only four of the 14 lifts are working, staff are having to physically take meals upstairs to patients, and family members with a mobility issue cannot visit their relatives on higher floors. Does he agree that, while we are talking about bricks and mortar, we are also talking about people and their quality of life?

Bobby Dean: I am grateful for the point my hon. Friend made, and I will come to make very similar points about the impact that maintenance backlogs are having.

It is partly because of the slow payoff of capital investment that we are in this mess. The last Conservative Government completely undermined the NHS's future by overpromising, underdelivering and sacrificing long-term investment to plug holes in their mismanagement of the public finances. While capital underspends being plundered for revenue black holes is not a total innovation, it did accelerate under the Conservatives, with the most acute period seeing more than £4 billion raided from the capital budget in the five years up to 2019 to cover deficits in day-to-day spending. I note that that was prior to the pandemic, when operational pressures were clearly stress-tested to the limits, and I have no doubt that that under-investment left us more exposed than we otherwise would have been during that period.

The outfall is staggering. If we had simply matched existing levels of capital spend, more than £30 billion of additional capital would have flowed into the NHS. Instead, we watched buildings decay, equipment age, diagnostics fall behind and maintenance backlogs soar.

Caroline Voaden (South Devon) (LD): Medical devices and equipment are increasingly becoming pressure points as trusts rely on ageing, life-expired kit. Torbay and South Devon NHS foundation trust has had fantastic results in bowel surgery from a free trial of a robotic surgery system that it was offered, but it cannot afford to buy the system because it has to replace other equipment that is on its last legs. Does my hon. Friend agree that the Minister should set out how the Government will ensure that NHS capital policy supports not just buildings and maintenance backlogs, but clinical equipment and the technology needed to deliver safe, high-quality, innovative care for patients?

Bobby Dean: My hon. Friend makes an excellent point: this is about not just buildings, but equipment and digital and technical infrastructure, all of which are crucial to getting the NHS to operate in the way it should. She also highlights how we need to upgrade ageing equipment to a very basic level, let alone take advantage of all the opportunities that the latest innovations in new equipment could provide us with, if we were able to purchase those.

I mentioned that maintenance backlogs are soaring. They have doubled from around £6 billion in 2015 to over £13 billion in 2024. The critical thing to stress is that it did not have to be this way. The UK invested around a third less in health capital during the 2010s than other comparable nations. According to OECD data, the UK has 10 CT scanners per 1,000 people compared with an average of nearly 20 per 1,000 across Europe. We have 8.5 MRI scanners per 1,000, compared with an average of 12 per 1,000 across other EU nations, and our bed capacity is pitiful. We operate at around 2.4 per 1,000 people, compared with an OECD average of 4.4. The issue has not only been a lack of money; it has also been a lack of certainty and flexibility.

The approvals process for capital bids is slow and cumbersome. Even when capital is available, trusts often receive final sign-off so late in the year that they physically cannot begin procurement, get survey work done and start construction in time. The money therefore goes unspent not because of poor planning locally, but because the system itself creates delay.

James Naish (Rushcliffe) (Lab): On that point, my local authority is currently sitting on £50 million of developer funds that it was paid, but those funds are not being spent in the local community because there is not the total money needed to invest in health, infrastructure, schools and other things. Does the hon. Member agree that that is something we must look at, to make sure that money set aside for development is spent with urgency in our communities?

Bobby Dean: The hon. Gentleman highlights the complexity in putting together large capital projects. Funding is not often from one source. It is from multiple sources, and everybody providing the capital needs to have greater flexibility for the schemes to become deliverable, or the funds end up getting clawed back and put elsewhere, as has been done in the past.

The yearly cycle that I speak about is important because, in the past, capital departmental expenditure limits rules—Treasury CDEL rules—have meant that any unspent capital must be returned to the Treasury at

[Bobby Dean]

the year end. Not being able to carry it forward punishes good financial management, prevents multi-year planning and leaves trusts scrambling to spend money before deadlines, rather than investing it strategically. The result is a system where underspends exist at the same time as record levels of urgent capital need. Trusts want to invest and start work, but the system ties their hands.

The effect of all that has not been abstract. The buildings maintenance backlog includes high-risk failures: operating theatres closed due to ventilation problems, leaks near electrical systems, sewerage failures and outdated wards where modern clinical standards simply cannot be delivered. A 2022 British Medical Association survey found that 43% of doctors reported that building conditions negatively impacted patient care.

Alex Brewer (North East Hampshire) (LD): My hon. Friend is giving a powerful and important speech. Half the residents in my constituency are served by Basingstoke hospital, which was included in the now infamous promise of 40 new hospitals by 2030. Now it seems completion could be as late as 2046. The delay means another 20 years of spending taxpayers' money on a building with leaking windows, exposed wiring, an uninsulated roof and countless other physical problems, with a bill that goes up and up every year to maintain that crumbling building. Does my hon. Friend agree that asking taxpayers to pay twice is a waste of public money, and Basingstoke hospital and others should have their rebuilds brought forward?

Bobby Dean: I do agree with my hon. Friend. I will come on to the new hospitals programme, as my constituency stands to benefit from it, too—if it comes soon enough. In the meantime, as she says, we are paying twice to pay for the repairs and patchwork, and never keeping up with the investment we need.

Ageing diagnostic equipment also means fewer scans, longer waits and more delayed diagnosis. Last year I had the pleasure of visiting my local hospital's nuclear medicine unit, where I was shown a new machine that was driving down diagnosis times from hours to minutes. Obviously that is a fantastic sign of good capital investment, but when I spoke to the trust I was shocked to discover it is one of the only hospitals in the country with that particular piece of kit, and I thought to myself how much more productive the NHS would be if such equipment was rolled out routinely across the country as soon as it became available.

Then there is the infamy of poor IT systems. More than 13.5 million clinical working hours are lost every year due to poor IT. We have all heard shocking stories of hospitals running on Windows operating systems that we were talking to a paperclip on 20 years ago. As the age of artificial intelligence promises to transform the workplace, it would be great if the NHS could catch up with the last decade or so.

I recently met an AI developer who thinks they have come up with a solution to the elective surgery booking system. His system auto-calls patients and offers them a choice of appointment, making hundreds of calls in just minutes. They say it beats the old system on two counts. Patients usually receive a date by post without a choice, but the trial in the midlands saw "did not attend" numbers drop by 50%, which they put down to

patient choice in the appointment time, and delivery was guaranteed because they had answered the phone. Think of the potential productivity gains if such technology was picked up at scale.

I have explained a little about the past state of NHS capital spending and will now turn to where the Government are today. Part of the reason for this debate is to find out where the Government think they are. It is worth saying that the Government's stated intention has been a step in the right direction. There has been more certainty, more money and more flexibility. After the initial one-year capital settlement for 2025-26, with assurances that things would continue, the spending review confirmed capital budgets through to 2029-30. Those decisions will provide some stability, though it is still uncertain whether the Treasury clawback system remains in place on an annual basis or over the spending review period.

There was a substantial uplift of money in the year 1 allocations, but that is followed by a relatively flat commitment going forward, albeit at a higher level due to the initial uplift. I do not think we should be churlish about that—an increase in investment is inarguably good—but equally, we should not kid ourselves that investment is now at the required level. It does not fully address the inadequacy of past investment, nor does it bring it in line with international comparators. The King's Fund has described the failure to reverse the historical underfunding by the previous Conservative Government as "extremely disappointing". The NHS Confederation is asking for the commitment over the spending period to be doubled in real terms, from £3.1 billion to £6.4 billion.

There has also been greater flexibility, with Treasury approval now only required for capital projects in excess of £300 million, up from the previous, pitiful £50 million. The new delegated authority will cut out layers of bureaucracy and speed up delivery on the ground for ward refurbishments and equipment purchases. It will not address issues inherited in the largest NHS capital schemes, however, which brings me on to the new hospitals programme.

The programme was imagined by former Prime Minister Boris Johnson—I say "imagined", because for some time the only place it existed was in his imagination. Conservative leaflets in my patch were emblazoned with a promise that the money had been secured for a new hospital building that would be delivered by 2024. I am sure that experience holds true for many in this room. When 2024 came, hardly a brick had been laid across the country. When the new Government came in, they told us no money had ever been allocated for those schemes.

The programme was reset by this Government, with an updated timetable and revised waves of projects. My local hospital's building was put into the second wave, meaning that work will not begin until the 2030s, which was a bitter disappointment. Since the announcement of delay, things have gone a little quiet overall. A year or so on from the announcement, people are wondering how the programme is getting on. There are rumours that are some in the first wave are not keeping pace and could already be underspending allocations. Mostly, that is put down to the adaptation period of the hospital 2.0 model, an attempt to homogenise design across the country that is broadly welcome.

Any delays will spark questions about what will happen to that allocated spend. Hospitals such as mine will want to be at the front of the queue for any reallocation, if such an opportunity should arise. I have already mentioned my local hospital, but there is no clearer case of capital neglect than St Helier hospital in my constituency. It is as old as the NHS itself, overcrowded and cramped, and the specialist emergency care functions are simply not up to modern-day clinical standards.

Let me be clear: staff at St Helier are working heroically and patients are safe, but they are in a building that is not designed for 21st-century emergency care, with patients routinely treated in corridors. Key recommendations for improving service delivery simply cannot be implemented because there is physically not enough space. Despite tens of millions having been spent on basic repairs in recent years, the building is deteriorating faster than the trust can fix it.

The new hospital programme promised to resolve many of those issues with a new building for emergency and maternity care but, with that delay well into the 2030s, my constituents are left facing another decade of care in a building that is visibly past its lifespan.

James Naish: I am based on the outskirts of Nottingham, and already this year we have had three critical incidents at Queen's medical centre, which is the main hospital in the city. They have all been based around A&E, and they were all the exact situation that the hon. Member describes. A&E has capacity for 350 patients, but it has routinely been seeing over 500. Does he agree that, in addition to the pressures he describes, there is a reputational risk to the NHS when such incidents are being declared because of physical capacity issues?

Bobby Dean: I agree with the hon. Gentleman, and I am sure that, like me, he hears constituents say that they do not want to attend their local A&E because they do not trust that they will be seen in time. I am sure that the figures he is describing are an undercount of the people who should be in there. Like me, he will have received emails about corridor care for some time. I had hoped that corridor care was a peak crisis moment and that it would subside, but it has become the norm and that is extremely worrying. It is not acceptable for patients, it is not fair on staff, and it is not a sustainable way to run our NHS.

If the Government are to reconsider which schemes should be in which waves of the new hospital programme, let me assure the Minister that my local trust is ready to go. Plans have been drawn up, land has been secured, and teams can move at pace. We need this, we want this, and we are ready. If that is not possible, but other pots of capital to be reallocated still remain, I make a separate plea: extend St Helier's emergency department now. That is a smaller ask than delivering a whole new building, but it will make a big difference. The only thing more full than the corridors at my local hospital right now is my inbox, which is filling up with constituents describing their traumatic experiences.

St Helier hospital emergency department sees around 250 patients a day, with routine overcrowding leading to the trust being placed into national oversight measures. Kirsty, one of my constituents, was left anxiously waiting for her 83-year-old mum to be seen, witnessing elderly patients crying, vomiting, screaming and walking around

in severe pain in the corridors. The father-in-law of Muhammad, another constituent, waited over 13 hours only to return home without seeing a doctor at all. Others have shared deeply personal details of their stories; their conditions were explained to them alongside countless others in the same corridor. It is undignified, unjust and unsafe.

The trust has come up with a plan. It believes that it can redesign the existing estate, creating a new urgent treatment centre and expanding the same-day emergency care service. By doing so, it would dramatically increase the number of patients it can see. The urgent treatment centre would be able to handle up to 30% of patients—up from 14%—and SDEC could get to 20%, up from 8%. That would prevent unnecessary overnight stays, free up hospital beds, speed up ambulance transfers, and reduce delays for patients needing hospital admission. The plan would also address £15 million of the trust's ageing estates backlog. It is immediately deliverable; the trust believes that work can begin as early as autumn 2026. It would make an incredible difference, so I ask the Minister to make use of any influence she has over the matter to help the proposal get over the line.

Before I conclude, let me raise one further point about NHS capital expenditure that I suspect will not make me popular, but that I believe is right. The Government have tentatively re-entered the world of public-private partnership models with their announcement of neighbourhood health centres late last year. We all know how disastrous that model of financing was in the past, with the long-term costs to the taxpayer far outweighing the short-term benefits. Britain was among the first in the world to pilot such a scheme, and it failed fast.

It must be said, however, that other nations have learnt the lessons of our failures and successfully delivered social infrastructure at scale, on budget and on time. Indeed, I believe that is one of the reasons why we have fallen behind so badly. As a member of the Treasury Committee, I recently guested on a Public Accounts Committee inquiry into PPP, which concluded that if we get procurement, contract management, and the risk allocation of projects right, then we can massively accelerate the delivery of infrastructure in our country in a way that delivers real value for money for the taxpayer.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Member on securing the debate. To summarise what he is saying, we need to better spend the money that is currently being deployed in the NHS. Does he agree that this has to be the underpinning feature going forward? More and more money has been poured into the NHS; we all think it is a fantastic organisation and praise those who work in it, but we need to spend that money better and modernise the monolith that is the NHS.

Bobby Dean: I agree with the hon. Gentleman, who hits on one of the central points of this debate. We can continue to pour money into the operational side of the NHS, but if we do not get the capital expenditure right and improve the equipment, systems and buildings, we will always be pouring good money after bad.

I know that PPP is fraught with political risk, particularly for a Labour Government who are scarred by what happened in the past, but I urge them to look at the

[Bobby Dean]

National Audit Office's report and the experience of others internationally. They should also listen to the NHS Confederation, which is pushing them to go further and experiment with different financial models for delivering the infrastructure that we need at scale.

NHS capital has been insufficient, uncertain and inflexible for far too long. The new Government have good intentions to improve on all three, but now is the first moment at which we can start to look at their delivery. After what I have outlined today, I would like to put several questions to the Minister. Will she update us on the current level of capital underspend under this Government? Where in the system is the underspend occurring, and what is being done about it? Will the Government allow trusts to carry forward any unspent capital to future years? Will that exist beyond the current spending review period? What assessment has the Department made of the delivery of the new hospital programme, and will any schemes be reconsidered for movement between the waves? Will the Minister outline whether the Government plan to reform the capital allocation system to allow multi-year planning and reinvestment of trust surpluses permanently?

The NHS cannot function without modern, safe and efficient infrastructure. No Government can deliver improvements in performance or productivity without addressing the capital crisis at the heart of our system. I urge the Minister to use this moment to reset the capital regime and put it on a footing that prioritises long-term investment, accelerates delivery and gives patients and staff the facilities they need and deserve.

Several hon. Members *rose*—

Matt Western (in the Chair): Order. I remind Members that they must bob if they wish to be called in the debate. I first call Gareth Thomas, who will be followed by Steve Darling.

9.51 am

Gareth Thomas (Harrow West) (Lab/Co-op): The White House in Harrow, thanks to NHS capital money, will shortly become even better than its American namesake. I pay tribute to the hon. Member for Carshalton and Wallington (Bobby Dean) for the way in which he introduced the debate. I agree very much that levels of capital investment into the NHS do not get the attention that they deserve in this place. He is certainly right about the impact on NHS capital spending of the austerity over the previous 14 years of Conservative health administrations. He rightly referenced the shameful spectacle of Conservative Health Secretary after Conservative Health Secretary handing back capital moneys to the Treasury at the end of March. My hon. Friend the Minister will be pleased to know that I have a solution to that problem if she faces it this year.

The White House, which is located at Harrow college, close to Harrow-on-the-Hill station, is set to become one of Harrow's neighbourhood care centres thanks to NHS capital. NHS capital is allowing the local NHS to convert the White House, which is part of the college at the moment, into a new, expanded GP surgery and care centre. It will offer two opportunities for students enrolled at the college to begin a career in health and social care.

Crucially, it will create a hub for care services that can keep people out of hospital and, in particular, out of accident and emergency queues.

The White House is set to be one of a number of new neighbourhood care centres, including Belmont health centre, Alexandra Avenue health and social care in Rayner's Lane in my constituency and the Pinn medical centre in Pinner. This planned expansion of primary care over the next two years, using NHS capital moneys, builds on a recent significant increase in the number of GP surgery appointments. The nightmare of having to get an appointment to see a GP once lines open at 8 am is beginning to ease, but much more progress still needs to be made. GP appointments in Harrow have increased substantially since July 2024. Just under 120,000 appointments took place that month, but by October last year the total number of appointments each month had risen to more than 145,000—a 22% increase. For face-to-face appointments in particular, there had been a 30% increase.

I welcome the difference that NHS capital allocated to Harrow will make for primary care in the coming years. The funding for GP Direct, a surgery currently based in west Harrow, to expand and offer more and better primary care services, and for a neighbourhood healthcare centre located at the Alexandra Avenue clinic, is set to make even more of a qualitative difference to primary care services in my constituency.

However, I hope to make the case to the Minister for the allocation of further NHS capital investment at Northwick Park hospital. Waiting lists are beginning to come down at Northwick Park, but, again, there is much more to do. To help maintain that progress, Northwick Park needs a new 36-bed critical care unit, with space for further expansion. A series of NHS and independent assessments of critical care across north-west London have identified a shortage of critical care beds, particularly on the Northwick Park site. The existing intensive care unit there has a series of problems that compromise the current delivery of critical care. It is not co-located with other key NHS services on site, such as the emergency department or operating theatres. It is outdated, noisy, cramped and unfit for purpose for patients and families facing critical illness—or, worse, potential end of life.

The trust has put together a proposal for a new UK-leading exemplar intensive care unit that provides additional critical care beds and a new CT scanner, which would embed modern standards of patient experience and family support. The proposal is for a 36-bed unit and allows for a potential future expansion for a further 24 critical care beds. The new unit that is immediately proposed allows for 30 of the 36 beds to replace existing critical care beds that are located in other parts of Northwick Park hospital, which will free up extra bed space and, in turn, help to alleviate pressures on other parts of the hospital, notably in accident and emergency. It will also play a useful role in helping to prevent the cancellation of elective operations.

The recommended bed occupancy for critical care beds is set at 85%, according to the National Institute for Health and Care Excellence. Northwick Park has been consistently above that level for some time. The hospital has one of the busiest A&E departments in the country, receiving an average of 90 ambulances a day, rising to 140 on its busiest days. Critical care admissions

are also up by more than 16% since 2018-19, and more than 80% of admissions to the trust are at Northwick Park hospital. It is worth reflecting on the experience of covid. Northwick Park was the first hospital during the covid pandemic to declare a critical incident, as the number of intensive care beds simply ran out.

An expansion in critical care beds at Northwick Park needs funding. It needs funding to improve services now, but also to better prepare north-west London for future health emergencies. The bid for funding is strongly supported by the trust board and, I understand, by the local integrated care board as well. I hope that the Minister, her Health colleagues and the Treasury will support it, and that the Minister will commit to doing all she can to give it a strong push.

Work on cancer care services is also taking place in the London North West University NHS trust. Northwick Park already sees more than 50,000 people with suspected cancer each year, and diagnoses more than 3,000 cases. However, too many cancer cases have to be dealt with outside of our area, and the quality of the experience for those being treated for cancer could be significantly improved with further investment. I hope that the Minister will duly make sure that Northwick Park is flagged up early for further investment as part of the national cancer plan.

Matt Western (in the Chair): I expect speeches to be around five minutes so that we can get everyone in. Please be respectful to colleagues.

10 am

Steve Darling (Torbay) (LD): What a pleasure it is to serve under you as chairman, Mr Western. I congratulate my hon. Friend the Member for Carshalton and Wallington (Bobby Dean) on securing this important debate. Sorting out Torbay hospital, the hospital that serves my constituency as well as the constituents of my hon. Friends the Members for South Devon (Caroline Voaden) and for Newton Abbot (Martin Wrigley), is my No. 1 priority as the Member of Parliament for Torbay.

I knew that the hospital was in a difficult place prior to my election, but as I began to immerse myself in the challenges facing it, I was shocked. I was shocked by what was effectively wanton vandalism—corporate vandalism, even—undertaken by the previous Conservative Government by making promises that they just could not keep. The vandalism—the fact that they chose not to invest—made it much harder to invest in the longer term and actually made it more costly. It is that old proverb: a stitch in time saves nine.

In Torbay we face some massive challenges. We have seen more than 700 sewage leaks at our hospital. These sewage leaks do not just happen in the corridors; they happen in clinical areas and affect wards where patients are. There have to be deep cleans, and there are delays for patients in getting on to lists and, most importantly, delays in supporting people who need medical interventions.

We heard from my colleague, my hon. Friend the Member for Carshalton and Wallington, that delays are occurring because of poor ventilation, and we have heard about the impacts—indeed, there have been very significant impacts in Torbay hospital. However, approaching the hospital, someone might think that the seventh cavalier was coming over the horizon—the tower

block is wrapped in scaffolding, so it must be being sorted. However, the reality is that the £1 million scaffolding is there purely to stop bits of the building falling off and braining staff and members of the public as they go past. Having to spend so much of our NHS money just maintaining a crumbling building is not good. The Torbay and South Devon NHS foundation trust has some bids in with the Minister around the challenges in the tower block; I am sure she is considering those at the moment and I hope she will look upon them kindly.

I also want to reflect on what works well in Torbay hospital. I recently visited and saw some really exciting changes. There are millions of pounds-worth of investment in the emergency department, for example, which is really welcome. The daytime operations area, where people come in for a short period in the hospital, is calm and businesslike, which is what we want during hospital visits, but that is very different from other parts of the hospital, particularly for those people who suffer from cancer, for whom the offer is chaotic and situated all over the estate. Cancer sufferers deserve a better experience.

We have seen investment in the endoscopy unit, and 90% of patients are being seen within five weeks, which is a massive improvement. However, looking at the estate of Torbay hospital as a whole, 85% of it is not up to standard. The £350 million investment supports only half of the hospital.

We have also seen a toxic change to the spending power of this capital programme. We have seen Brexit, we have seen the pandemic, which has impacted on the spending power of capital programmes, and we have seen the war in Ukraine, which has seen building prices spiral. Some of the management in the hospital field say that, since the pandemic, the spending power of capital programmes has halved, so can the Minister tell us how the Government have taken account of the fact that money is going only half as far as it did historically?

In conclusion, Torbay is one of the most deprived communities in the country and the NHS often picks up the rough end of that. Only recently, a director told me she has patients who believe that living to their 60s is a good span of life. I am sure the Minister agrees that is not the aspiration we should have for our communities. In the south-west we have seen a lack of capital investment, whether in our railways or NHS infrastructure. I hope the Minister will tell us how the Government are planning to invest in the NHS in the south-west and, as my hon. Friend the Member for Carshalton and Wallington asked, what innovation there is to bring forward that investment. Sadly, Torbay has been kicked into the long grass until the mid-2030s. The staff are our most important asset, and they deserve that investment much sooner.

Matt Western (in the Chair): The next speaker will have five minutes. Thereafter, I am afraid I will have to drop to four minutes.

10.5 am

Gideon Amos (Taunton and Wellington) (LD): It is a pleasure to serve with you in the Chair, Mr Western. I congratulate my hon. Friend the Member for Carshalton and Wallington (Bobby Dean) on securing such an important debate.

The No. 1 issue that I promised during my election campaign that I would focus on and prioritise, if elected, was care in the NHS, specifically Musgrove Park hospital

[Gideon Amos]

and the dire state of the maternity unit. Of course, the Conservatives did not just promise to help; they promised 40 entirely new hospitals, including one in Taunton. As has been pointed out, there were not 40 of them, many of them were not hospitals and they certainly were not new. According to data from the House of Commons Library, as my hon. Friend the Member for Carshalton and Wallington pointed out, a staggering £4.3 billion of NHS capital spending was cut to cover revenue challenges under the last Conservative Government. It is hardly surprising that their enormous promise turned out to be entirely fictitious.

What is the result? In the summer, we have medical staff fainting in the 30° heat in single-storey buildings that were built in world war two, and in the winter, we have holes in the walls and rows of buckets in corridors to catch the water. We even have roof guttering mounted inside the building in several locations to deal with the leaks. I trained as an architect and I was not expecting to see external roof guttering inside hospital rooms.

I genuinely welcome the Government's increased capital spending for the NHS. Last year, as a result of cross-party campaigns and to the Government's credit, Taunton and Somerset got a glass-half-full announcement about the hospital programme: it was included in the second wave of funding. Unfortunately that is not until 2033, which is later than is needed. We need action before that. I was delighted to hear the Secretary of State for Health and Social Care being challenged on the radio recently by the redoubtable Emma Britton, the voice of BBC Somerset. He said of the new maternity unit:

"If I can bring forward the timetables of these schemes because we can get not just the money, but the contractors and the suppliers and everything else that is required—the planning to do that—we will do our best to bring forward schemes."

I am working closely with the trust. They have sensible plans that could expedite those projects and get on with the vital planning work that we know needs to happen so far ahead of the project. That could be started next year. Can the Minister meet with me at some point to look realistically at the trust's proposals to expedite the vital need for a maternity unit in Musgrove Park hospital in Taunton? A meeting was proposed earlier in the year, but got postponed.

I understand the pressure the Minister is under. I know she understands the challenges and has many hospitals to think about, and I genuinely appreciate the work that she is doing. But, given what the Secretary of State told Somerset over the airwaves only a few weeks ago, and given the dire need at Musgrove Park hospital, I urge the Government to make a start on that key project as soon as possible. We know that care and our NHS are the key levers to getting our public services back to where they need to be, to helping people back to work and to boosting our economy. We also know it is the right thing to do for mums and medical staff in Taunton and Wellington.

10.9 am

Jim Shannon (Strangford) (DUP): It is a real pleasure to serve under your chairship, Mr Western. I thank the hon. Member for Carshalton and Wallington (Bobby Dean) for setting the scene incredibly well. Of course, I want to give a Northern Ireland perspective, but I want

to put forward two areas where possible savings could be made, and I wonder whether the Minister has had a chance to look at that, collectively or individually.

The hon. Member for Carshalton and Wallington, who set the scene, had 1,000 petition signatures for this debate—well done to him for garnering that interest. Our hospitals are so important and their services are lifesaving, so in terms of our finances they are priority No. 1. It is absolutely no secret that NHS capital spending has a direct impact on patient flow, waiting times and staff morale, and also on the quality of care.

Each year, my colleagues and I listen to the Budget and assess how our block grant can benefit the people of Northern Ireland through our healthcare system. It is clear that we must invest heavily in our facilities as well as our day-to-day spending. In her spring Budget yesterday, I think the Chancellor said that an extra £380 million was coming to Northern Ireland in the block grant. That should hopefully go some way to helping balance the books.

Around two years ago in my constituency of Strangford, our minor injuries unit closed following the opening of an urgent care unit in Ulster hospital. It was one of the most modern acute hospital sites following more than £235 million in capital investment, including in the new emergency facilities, patient accommodation and surgical and research infrastructure. Rather than planning a completely new hospital, the Department of Health has focused on transforming the Ulster into the regional acute hub. That is the right strategy, aligned with wider NHS reconfiguration plans for Northern Ireland.

Furthermore, there are plans for a new maternity hospital at the Royal Victoria hospital in Belfast. That is one of Northern Ireland's largest capital projects, with more than £100 million already invested. Further investment is also planned for the surgical hubs, elective facilities and rapid diagnostic centres. I am pleased that hospitals in Northern Ireland have witnessed increased capital investment but, in comparison to St Helier hospital, as the hon. Member for Carshalton and Wallington described, it is clear that some hospitals are still struggling drastically, and he underlined that point incredibly well. More needs to be done to ensure that they are fit for purpose.

I have two points on savings, which I put to the Health Minister back home, Mike Nesbitt. A level of middle management has been created, which is not always necessary. I am not saying that people should lose their jobs; I am just looking at how it can be done in a good way to ensure value for money. The second point is about agency staff. Back home—and I understand it is the same over here—agency staff are sometimes employed rather than full-time nurses. That is never cost-effective, because it is better to pay a nurse a good wage than it is to employ agency staff. Those are two thoughts that might be helpful.

NHS capital spending is not a luxury; it is a necessity. It is the foundation of safe buildings, modern equipment, efficient services and dignified patient care. Without sustained investment, we will continue to see rising waiting lists, staff burnout and crumbling infrastructure. The Minister is always very responsive, and we are glad to have her in her place. The hon. Member for Carshalton and Wallington is asking for the Government to commit to sustained strategic capital investment that will secure

the future of our NHS and deliver the standard of care that patients and staff both deserve. Those two ideas to save money are worth looking at as well.

Matt Western (in the Chair): I call Josh Taylor—sorry, I got that wrong; I call Luke Taylor.

10.13 am

Luke Taylor (Sutton and Cheam) (LD): Thank you, Mr Western. An MP Josh Taylor—that would be a beast, would it not? It is a pleasure to serve under your chairship. I thank my constituency neighbour and hon. Friend the Member for Carshalton and Wallington (Bobby Dean) for introducing this incredibly important debate. He and I have written op-ed articles for our shared local newspaper in recent weeks, describing our constituents' despair at the state of emergency care and facilities at St Helier hospital.

When I posted my article on Facebook for local residents to read, somebody commented on my post to say that they were fed up of the endless discussions on the topic, and they rightly pointed out that St Helier has been a totemic issue in Sutton for decades. They angrily demanded action, not words, from us all to get something done about it. The truth is, I could not remotely fault my constituent for their outrage at the imbalance of words and action that they, and everybody in Sutton, have had to live with for far too long. This is what happens when Governments fail to act; people lose faith that the system and their politicians can deliver results. When people hear grand words but see no action, it is no wonder that politicians are the least trusted profession in the UK.

Before I was elected I was an engineer, which is one of the most trusted professions. Then, with the support of more than 16,000 of my constituents, I instantly became a member of one of the least trusted—it is a funny old world, is it not? When the policy area at hand is something so visceral as whether people and their families can go to their local hospital safe in the knowledge that it is equipped to care for them properly, that loss of faith is absolutely corrosive to all faith in politics.

James Naish: The Minister will know the health centre I am about to mention. It is in East Leake in my constituency of Rushcliffe, and it has been talked about for over 20 years. It has clinical rooms that are out of action because there has not been the appropriate investment. The hon. Member for Sutton and Cheam (Luke Taylor) represents a relatively affluent part of the country, but does he agree that there is something called building deprivation? The reality is that health centres are not in a good enough condition for our constituents and, irrespective of the relative affluence of an area, we still need to invest in our infrastructure.

Luke Taylor: I could not agree more with the hon. Member's point. When the condition of an asset does not attract staff, particularly in more deprived areas, the challenges will be greater. Those compounding challenges are borne out visibly through the physical asset, and everything becomes much more difficult.

I should not have to be here making points about political faith and delivery—or the economic arguments that have been made by other Members—but I will

make the important humane case, based on the experiences of my constituents. I recently did a health survey where residents wrote in and told me their stories. One of them was a woman whose husband spent 54 hours in A&E with sepsis, lying on a trolley in a room so small it could have been a broom cupboard. Another, who is in her late 80s, sat waiting on a chair for 10 hours after a suspected heart attack, while another woman, who was unable to sit on a chair because of her pain, had to lie on the floor crying and wait for several hours.

Almost half of those who responded to the survey said that they had waited for more than four hours in A&E at St Helier hospital. We have the NHS numbers, too: across the Epsom and St Helier trust, 18,600 people waited for more than 12 hours in 2025. That is sickening; it is an example of a system that is not working. "Sickening" is the right word: like thousands of people across Sutton, I am sick to the back teeth with the endless delays that have got us here.

There is another important angle. In almost every one of the stories I was told, there was nothing but deep appreciation for the dedicated staff on the estate, many of whom the respondents credit with saving their lives in spite of—not because of—the conditions that they find themselves in. How can we keep recruiting into the NHS or uphold its public image if these are the conditions that we are expecting staff to work in? This is normally the part of the speech where I talk about the Government's awful inheritance from the Conservatives, but I do not feel like making that point any more, because the people of Sutton have had enough context-setting and this Government is almost two years old now.

I thank the Minister for her discussions of this topic with me and other colleagues. I feel that we are engaging openly and positively, and I want to make that very clear for the record, but I ask the Government to listen to the pleas of our constituents, and to please provide the money to expand our emergency department. At risk of returning to my point about trust, if we do not fix this, we risk a catastrophe in Sutton that might undermine the faith of my residents and the broader public in the entire model of the NHS.

My speech has been about expanding, refurbishing and fixing St Helier hospital, but there is the separate issue of the real and urgent need for the specialist emergency care hospital that our NHS and residents were promised by the previous Government. We need that too, and we need it quickly. The expansion of our A&E would complement the provision in Sutton, and it needs to be brought forward.

Matt Western (in the Chair): I now call Josh Babarinde.

10.19 am

Josh Babarinde (Eastbourne) (LD): Thank you, Mr Western. I was half expecting to hear "Luke Babarinde", but we got there in the end. I thank my hon. Friend the Member for Carshalton and Wallington (Bobby Dean) for securing this critical debate.

I will focus my remarks on Eastbourne district general hospital, where I was born. It is at the core of life in Eastbourne. I want to pay tribute to the amazing staff at that hospital, who deliver for the people of Eastbourne and beyond day in, day out. However, over the years we have lost key services at Eastbourne district general

[Josh Babarinde]

hospital to hospitals such as the Conquest in Hastings, forcing Eastbourne residents to travel even further for the care they need. As well as that, our buildings are falling into a state of disrepair. Indeed, the trust has said:

“The age and standard of the current hospital buildings presents challenges for the consistent delivery of safe, effective, responsive and efficient care”.

The half a billion-pound maintenance backlog bill that the trust faces is a financial representation of that.

We were grateful to be included in the new hospital programme by the last Government—I am very sad not to see more representatives of that Government in attendance at this debate—but of course nothing happened under the Johnson Government. Eastbourne was therefore even more grateful to this Government for making a much more serious commitment to include it in the new hospital programme and to fund the DGH through the programme. It is of grave concern to us, however, that we are in the last wave of that programme, which means that investment will not land with us until 2037 at the earliest.

Meanwhile, many of our fears in Eastbourne have materialised. On 6 January, Eastbourne district general hospital suffered a power outage that hit many areas of the hospital. Nurses told me that they were forced to use their iPhone torches to light the way for the several hours that the power cut occurred. Because of that outage, operations were cancelled and our midwifery unit was closed for days. It stemmed from the insufficient power infrastructure that is in need of urgent investment—the very reason, in fact, why Eastbourne district general hospital was included in the new hospital programme full stop.

I have appealed to the Minister and the wider Government numerous times to accelerate that investment to Eastbourne and to bring forward our plans—after all, we were ready to go, but we were asked to pause. If the Government will not do that, however, will the Minister at least meet with the trust and me to discuss accelerating the release of the £42 million needed to replace the failing electricity substation that was responsible for the power cut, to ensure that Eastbourne residents get the consistent care and urgent investment that they need and deserve? I really do appeal to the Minister—if I need to, I will beg her—for that meeting so that we can figure out how to unlock that critical investment.

10.22 am

Ian Roome (North Devon) (LD): I thank my hon. Friend the Member for Carshalton and Wallington (Bobby Dean) for introducing this important debate. I thank the Minister for visiting North Devon district hospital to see the estate for herself and for listening to the passionate pleas from NHS clinicians serving on the frontline.

The hospital is now the third of nine hospitals in wave 3 of the new hospital programme and faces a further 10-year wait for the capital funding it needs. That investment is desperately needed to replace an ancient intensive care unit and operating theatres that are nearly 50 years old. I thank the Government for approving phase 1, building new residences for staff

and medical students, which will also recover land for the all-important clinical rebuild. On paper, however, phase 2 is unlikely to begin before 2035.

The cost of keeping these facilities running for another 10 years will be immense. Our hospital has a maintenance backlog of “high” and “critical” grade work of over £40 million, the most per square metre of any hospital in the south-west, higher even than many of the hospitals afflicted by reinforced autoclaved aerated concrete, or RAAC. Our NHS trust worries, as I expect many people in this Chamber worry, that that is simply throwing good money after bad.

In January, the National Audit Office released its update on the new hospital programme, which makes it clear that the current Labour Government have tried to financially rescue a programme that the last Conservative Government had doomed to disaster. However, many of my constituents feel that they have lost out yet again. It is not only that patients in northern Devon are being asked to wait another 10 years for new critical care facilities, but the ever-increasing maintenance costs of keeping their ageing hospital going will demand a bigger and bigger share of NHS funding from the area.

Worse still, the Department of Health and Social Care says that hospitals built to the new hospital 2.0 standard are expected to deliver operational savings. Whose hospitals will really benefit from that approach? When I queried it in a written question, the Minister said on 13 February that trusts and integrated care boards manage budgets, and that the centralised new hospital programme does not redistribute savings. If an NHS trust is lucky enough to receive the capital spending for new facilities sooner rather than later, patients in that community will benefit twice; if not, tough luck.

Furthermore, the estimated cost of the scheme in my area given in the new hospital programme review seems to bear no relation to the bid originally submitted by the trust. The Government will not answer questions on the multi-criteria decision support analysis tool that is being used to score the bids for capital funding under the new hospital programme, nor even answer freedom of information requests to state the name of the provider of the tool. Consequently, we as parliamentarians are unable to scrutinise that detail.

I have some questions for the Minister. First, will the Department explain these cost estimates, because £1.5 billion is a vastly inflated figure, which is far beyond the 50% adjustment stated in the review? That should not delay work on NHS hospitals such as mine in North Devon. The trust is ready to build the next phase now, so if there is any capital available, please bear North Devon in mind. In addition, what else can the Government do in the coming years to avoid entrenching real health inequalities in communities such as mine in North Devon?

10.26 am

Clive Jones (Wokingham) (LD): It is a pleasure to serve under your chairship, Mr Western, and I thank my hon. Friend the Member for Carshalton and Wallington (Bobby Dean) for securing this extremely important debate.

Let us make no mistake: what we are talking about today is a national scandal. Many parts of our hospitals are falling to pieces. That is not just political rhetoric; it is a statement about genuine risk. Some of my constituents,

for example, use Frimley Park hospital, which is primarily built out of RAAC, and it has already lasted for twice as long as it was supposed to. In January, the National Audit Office reported that the most urgent RAAC-related phase of the new hospital programme would be completed at least two years later than originally planned, and could take even longer, despite the pressing safety risks posed by buildings with RAAC. We need to do better.

My hon. Friend spoke eloquently about the challenges with capacity at his local hospital, St Helier. Such hospitals are suffering from many years of Conservative under-investment and neglect. The story is repeated across the country: crumbling buildings; leaky roofs; sewage leaks, in some cases; and equipment faults that delay diagnosis and care. That did not happen in just the last two years, so I hope the Opposition spokesperson, the hon. Member for Hinckley and Bosworth (Dr Evans), will show some contrition for the part that the Conservatives played in there being a lack of capital investment over many years, which allowed those conditions to develop. The promise of 40 new hospitals, which was made by the Conservatives but had nothing at all behind it, will not be forgotten for generations.

Labour is not addressing this crisis with the urgency that it demands. The response has been to delay the new hospital programme even further, which is a staggering miscalculation. It will cost the country billions to keep old—indeed, dying—hospitals on life support, including around £400 million for the Royal Berkshire hospital alone. I draw Members' attention to my entry in the Register of Members' Financial Interests, as a governor of that hospital, and a family member works there as well.

The Royal Berkshire staff are hard-working, compassionate people, as are the doctors, nurses and other clinical professionals working across the country. Our NHS staff are truly the best of us. Despite the best efforts of the hospital trust, the conditions they work in are very poor. The building—parts of it almost 200 years old—is quite literally sinking. Cancer patients receive chemotherapy in a children's ward from 1910. Wards and offices are inadequately ventilated. Parts of the hospital are poorly accessible, and 50 operations were cancelled in 18 months, not due to staff unavailability or incompetence or for medical reasons, but because the building was simply inadequate on the day. Labour's response has been to make that hospital struggle on for at least another seven years, on top of the Conservatives' already lengthy delay, at huge cost to both the taxpayer and patient dignity.

It is not a problem confined to the Royal Berkshire hospital. Between 2019 and April 2025, there were at least 5,000 cancellation incidents caused by crumbling infrastructure at our hospitals. These incidents are only recorded when the care of at least five patients is affected, so that is a minimum of 26,000 people who have had vital care delayed or cancelled simply because the hospital was not in an acceptable condition. Once we consider the incidents affecting fewer than five patients, the actual number may well be much higher.

We must also not forget those hospitals that are not part of the new hospital building programme. Yesterday, my staff spoke to an NHS consultant working in accident and emergency at such a hospital, who has asked not to be named. The consultant described an incident this very week where family members had to be moved out

of the resuscitation relatives' room at the hospital because raw sewage was flowing through the room. Simply imagine that: your loved one critically unwell in resuscitation—your whole world turned upside down—and in that moment, you are hurried away from a stream of vile effluent. It is a national disgrace that this is the reality of our NHS today. That happened just this week. There is no new hospital coming for those patients, or for that consultant. The Government must today commit the money needed to maintain our entire hospital estate properly.

Care, of course, starts in the community, before a patient ever reaches a hospital, but we all hear from our constituents that our primary care system is also not coping due to under-investment. In my constituency, we have seen thousands of new homes built in the last 10 years, but no new GP practice to serve those thousands of new residents, and I know that many Members will recognise that problem in their constituencies as well. The investment in facilities is just not keeping up with the reality on the ground. That is why I am fighting for a new GP practice at Arborfield Green, although the sad reality is that the lack of capital investment in this infrastructure and the incredibly complex commissioning rules stand in the way. I hope the Minister will have something to say about investing in primary care as well as hospitals.

Let us not forget the outdated equipment currently in use in our NHS. Data uncovered by the Liberal Democrats has revealed that 80% of hospitals are using outdated X-ray, MRI or radiotherapy equipment. Imaging is critical for the diagnosis of so many medical conditions. NHS England itself says that CT, MRI and X-ray machines need to be replaced every 10 years to be reliable, but 38 out of the 48 trusts that responded to the request for information reported having X-ray machines over that age in active use. Some 21 of them were using MRI machines that were more than 10 years old. Shrewsbury and Telford hospital NHS trust reported an X-ray machine that was 30 years old—older than some Members of this House. It should be a national scandal that lifesaving diagnoses are being left to equipment that we cannot safely rely on. Patients are at risk and staff pushed to breaking point.

I would like to recognise the hard work of my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron) on radiotherapy. Like him, I was disappointed to see that the national cancer plan was not more ambitious in its investment in radiotherapy. Anyone who talks to him about this issue will hear about how outdated radiotherapy units are being pushed well beyond their life across the country. We must do better than that for our cancer patients. The national cancer plan, which I called for in this Chamber some 16 months ago, was a welcome step by the Government, but on radiotherapy investment—as with the new hospital programme—Labour has not met the moment.

At this point, I pay tribute to the hon. Member for West Lancashire (Ashley Dalton), who was the Minister who made the national cancer plan happen. I am sorry that she has decided that she needs to stand down from her post. She did a really good job.

The Liberal Democrats would implement a 10-year capital investment programme that allows the NHS to plan for its future, not just its next budget cycle. That would include £10 billion to end the scandal of crumbling hospitals and GP practices, improving outcomes for

[Clive Jones]

patients and cutting daily costs for our national health service. We would establish a winter taskforce with a ringfenced £1.5 billion fund to deal with winter pressures, ending the cycle of raiding the capital budget just to cope with the latest predictable emergency. We have said on many occasions how that will be paid for. The question before the Minister today is not whether something needs to be done; we all know what needs to be done—investment on a huge scale—but the question is when. When will the Government deliver?

10.36 am

Dr Luke Evans (Hinckley and Bosworth) (Con): I, too, associate myself with the comments about the hon. Member for West Lancashire (Ashley Dalton) on her stepping down as a Minister. She was a formidable opponent and will be sorely missed. I am sad to see her step back, but she has made the right decision for her, as in this place we should all do.

I thank the hon. Member for Carshalton and Wallington (Bobby Dean) for securing this debate. He was absolutely spot on when he said we do not scrutinise the process of NHS capital spending nearly enough. I was taken by what he said on that point, but less surprised that not many solutions came forward, although that is key to having this debate, because it is hugely technical.

I will use an example from my constituency for both the pros and the cons, the good and bad stories about capital investment. I was elected in 2019 and Hinckley is my biggest town. Healthcare is an important priority for my constituents and talk of improved hospital services there has been ongoing for 30 years now. On the good side, we were lucky enough to be picked to have a community diagnostic centre, a £24 million investment, and I was lucky enough to open it last year. That shows what good can come of capital investment. Under the previous Government, at August 2024, there were 165 similar good news stories of community diagnostic centres being opened across the country, not to mention the 108 surgical hubs that have not been talked about, but that are increasing patients' ability to be seen and treated quickly, helping to deal with the waiting lists.

I also come with a negative story related to the same hospital. We were looking for a second project, a £10 million day case investment, but unfortunately, despite funding having been secured, delays in the system and difficulties with changing need have meant that that has been cancelled. The NHS papers specifically on that case state:

"The STP Capital business case for the Hinckley Day Case Unit received national approval in March 2024"—

but then struggled. The papers go on to say:

"However, since business case approval there have been further key changes... Changing financial context nationally and local financial challenges... Increased capital costs of the scheme circa £2m compared to that approved by the board... Programme delays resulting in a significantly reduced capital resource".

They go on to explain that further delays to the programme occurred due to

"Cost pressures that exceeded the STP capital allocation... Since the approval of the STP Capital Business case in 2024, delays can be attributed to... The planning application phasing (considering the contention surrounding the demolition of the Hinckley District

Hospital... The delay in submitting the planning application to allow the development of a robust design to address the Local Planning Authority's concerns".

We can already see the difficulties in how need is being allocated across Leicestershire and how planning and inflation interfere. That is the process issue at the heart of making these capital decisions.

That leads us to the bigger picture that confronts the Government today. As has been mentioned, funding is important, so what is the best document we can look at to see what the Government are trying to do? The 10-year plan is clear:

"We will continue to use private providers to improve access and reduce waiting times, to return the NHS to its constitutional standards. As we outlined in our Plan for Change, we will not let spare capacity go to waste on ideological grounds. We will continue to make use of private sector capacity to treat NHS patients where it is available, and we will enter discussions with private providers to expand NHS provision in the most disadvantaged areas."

The Opposition agree with that, but I am not sure that all Government Members will, so I am interested to know whether all the Minister's hon. Friends are aligned with it. I agree with the concern that the previous Government's private finance initiatives, which brought in £13 billion of investment for new hospitals, cost the taxpayer more than £80 billion in repayments. We are still paying for that now.

Turning back to the NHS 10-year plan, a section called "Harnessing new investment" states that

"we will learn from previous experience with the Private Finance Initiative... In other cases, however, PFI was a costly mistake which represented poor value for money. Contracts were too complex and lacked proper transparency."

As the government considers new sources and models of private investment, we do so with this experience in mind."

How do we know that? Where is it set out that the Government have learned this time? In the same section, the Government tell us they will "evolve" their

"infrastructure finance models and... consider the use of Public Private Partnerships... where there is a revenue stream, appropriate risk-transfer can be achieved, and value for money for taxpayers can be secured."

Those are not small tests; they are the fundamental ones that we must ensure are in place, so my simple question is this: what is different this time? How will we assure value for money, and who will make that decision? How will we see genuine risk transfer being assessed, rather than simply pricing it into decades of payments? How will that work?

The 10-year plan also states:

"We will codevelop this with the National Infrastructure and Service Transformation Authority (NISTA), building on the successful NHS Local Improvement Finance Trust programme, and will look to drive competition in the market to incentivise others, including third party developers, to improve their offer to deliver better services at lower cost to the taxpayer."

That is great—but LIFT is used only for small practices, so what model will come forward for everything else? The plan states:

"We will engage with the market on this programme and support NISTA in its wider market testing of a new PPP model."

What is that model? Can we see it? What does it look like?

I note from the Minister's answers to written questions that 120 neighbourhood health centres will be operated by 2030; 70 will be new buildings, 50 will come from

refurbishment and, of those, 80% will be funded through PPPs. However, there are no plans to publish the business case. That raises legitimate questions. Why are the Government hiding this? We have been here before, and the country is nervous about this, so why can we not see what is being brought forward? If a new model is genuinely different, transparency should not be a threat; it should be a strength. Why will Parliament and the public not see it?

Luke Taylor: It would be remiss of me not to ask at this point, while the hon. Gentleman is speaking about transparency and funding for hospital projects, about the previous Government's imagined 40 new hospitals. I invite him to give some transparency as to where the money to fund that hospital programme was supposed to come from and where it ultimately disappeared to. My residents are still suffering from the impact of his Government's not providing that money. Can he expand on what happened to that money, which never arrived?

Dr Evans: I am grateful for the chance to put this on the record. The health infrastructure plan 2019 had the £3.7 billion, which was the seed funding to look into the projects to bring things forward. That also dealt with the first wave—the three hospitals that were brought forward to allow the second and third waves to come on. The hon. Gentleman will also know that, as the Government and the Opposition have stated, all big national infrastructure is done through a series of spending reviews. The money—£20 billion—was committed through those stages on the basis of that plan. The Government throw the same argument back at us when it is convenient for them to say, “We are not increasing defence spending because it needs to come in a spending review.” Both sides are playing politics, but there was money allocated in that plan. I appreciate that the hon. Gentleman was not in Parliament at that time, but he can ask the House of Commons Library to look at it so that he understands it, and he can then pass that on to his constituents to answer that question.

If we have a new model, we in this House need to be able to scrutinise it. GPs' rents and rates are reimbursed, but there is concern that if we have further PPPs, similar to the previous PFIs, GPs may be on the hook for ongoing premises costs. We must have crystal clear guarantees, so they understand what they are and are not accountable for.

The 10-year plan states:

“We will also work with NISTA to consider the opportunities for health that could be achieved through private financing of revenue-raising assets (such as key worker accommodation and car parks)”.

That will set alarm bells ringing, as it looks like the Government will use key workers, or staff and patients coming into car parks, to generate funds. I would be grateful for clarity about what the Government actually mean by that statement, because this is a contentious issue. People know that we need to have funding coming into the health services, but where will those streams come from and what will they look like? If the 10-year plan is looking at revenue-raising assets, I am keen to understand exactly what that looks like.

Overall, there is a desire in the 10-year plan, which is shared across the House, to improve healthcare. Nobody disagrees with that, but the criticism of the 10-year plan

is that there is no delivery chapter. I am grateful to the hon. Member for Carshalton and Wallington for securing this debate so that the Opposition can ask questions about what delivery will actually look like when it comes to improving the health of the nation.

10.47 am

The Minister for Secondary Care (Karin Smyth): It is a pleasure to serve under your chairmanship, Mr Western. I thank colleagues for their kind remarks about my hon. Friend the Member for West Lancashire (Ashley Dalton). We will miss her. She has set a great example, not only by continuing while undergoing cancer treatment but, as hon. Members have said, by recognising that sometimes we need to look after ourselves and prioritise our constituents. No doubt she will be doing that very well, and I look forward to her contributions from the Back Benches.

I congratulate the hon. Member for Carshalton and Wallington (Bobby Dean) on securing this important and timely debate. I hope that my name came up occasionally when he was perusing previous debates on this issue, because I am one of the few Members of Parliament over the past 10 years who has banged on quite a lot about capital. I am delighted to be the Minister, because the sound management of that capital is absolutely crucial to the provision of healthcare for all our constituents. I agree that it does not get enough airtime, and the hon. Gentleman made an excellent speech outlining most of the issues. We have heard a lot of contributions today, and I will try to do justice to this very wide-ranging debate.

Let me remind hon. Members of the problem. I have with me Lord Darzi's report, which said:

“The NHS has been starved of capital and the capital budget was repeatedly raided to plug holes in day-to-day spending...Some £4.3 billion was raided from capital budgets between 2014-2015 and 2018-2019”.

It said:

“The result has been crumbling buildings”

and

“services were disrupted at 13 hospitals a day in 2022-2023. The backlog maintenance bill now stands at more than £11.6 billion”.

The report also said that the NHS was “in the foothills” of the digital transformation that the rest of the country—indeed, the rest of the world—was undergoing. There was also a shortfall in capital investment.

I kind of admire the hon. Member for Hinckley and Bosworth (Dr Evans) for defending that situation—it is a tough gig—but we all see what happened in our constituencies. I am very proud of the capital investment under the last Labour Government, and I will come back to PFI in a moment.

Reversing that trend and repairing and rebuilding our healthcare estate is a vital part of our ambition to create an NHS fit for the future. That is why we are prioritising the estate to support that task. First, we are prioritising core and safety technology equipment and—this is an important measure introduced by the Chancellor—changing the rules on capital to stop capital-revenue transfer. We are also incentivising the system and streamlining the processes; the hon. Member for Hinckley and Bosworth tells us how terrible the processes were, but his party was in government. We have taken control and used Government to good effect to start streamlining

[Karin Smyth]

those processes. Part of that is about moving towards making one team of NHS England and the Department of Health—I hope hon. Members will support us in that. We are also building the capacity and capability of the staff in order to develop and do the work we need them to do. That capacity has been completely depleted over the last 14 years.

We have put a lot of information into the system to move things quickly, and I think we are all seeing the benefits of that in our constituencies. We will bring forward a capital plan in the spring to make all of that clearer for the system and for hon. Members.

Helen Maguire (Epsom and Ewell) (LD): The Minister is making an important point about the vital need for capital funding in the NHS. I and a number of colleagues are here in the Chamber because St Helier hospital is falling apart, and unfortunately patients are being affected, but the hospital build programme has been delayed another three years. There has been lots of goodwill in the debate, but we are looking for additional investment in the A&E. I hope the Minister will take that away, and that there might be something about it in a statement soon.

Karin Smyth: The Chancellor has made her key decision to put us back on track, announcing in the Budget that capital health spending would increase by £15.2 billion by the end of the spending review period in 2029-30.¹ That funding will be used as intended; in previous years, as we heard, capital funding was diverted to cover day-to-day costs. We have tightened the Treasury rules; we have changed them, because that is what Government can do—who knew! As a result, capital funding will now be fully focused on repairing, upgrading and expanding NHS buildings and facilities to support long-term productivity. This settlement represents record levels of capital investment into healthcare, and it will support the three shifts set out in the 10-year health plan: moving care out of hospitals into the community, replacing outdated systems with modern digital services and focusing on preventing illness rather than just treating it.

Of course, rebuilding NHS infrastructure cannot happen overnight. I assure hon. Members that the Government do understand that long-term certainty over capital funding is needed for the NHS to move from these short-term fixes to more strategic investment. That is another key decision made by the Chancellor. That is why, through the 2025 spending review, we have delivered a four-year capital health settlement, extending to 2029-30. That is backed by a further five years of certainty for estates maintenance funding. I am genuinely grateful to hon. Members for recognising that that is a massive change that we have engineered into the system, and I think we are all seeing the benefit.

That change means there is a £30 billion commitment in capital funding over five years to support the day-to-day maintenance and repair of the estate, with a further five years of funding certainty, as set out in the 10-year plan. For the first time, NHS trusts have also been given multi-year operational capital allocations, with clear funding set out until 2029-30, and indicative funding for a further five years. This is an unprecedented opportunity for local health systems to plan with confidence over a nine-year period, and I continue to encourage all Members

to engage with their integrated care boards, which will be prioritising schemes over that period.

Within the £30 billion, the estates safety fund will continue, providing £6.75 billion of investment over the next nine years to target the most critical building repairs, alongside £2 billion to continue supporting NHS England's RAAC programme across the spending review. Additionally, £21 billion in operational capital over the five-year spending review will empower NHS organisations to invest in local priorities, including hospital infrastructure. It will take time to build up capacity and capability, but this marks the beginning of our rebuilding of an NHS that is fit for the future.

I also assure Members that this Government recognise the pressures faced across the system and are committed to bringing performance standards back to what patients expect. That is why we are investing to expand hospital and emergency care capacity, helping to reduce waiting times and improve care for patients. Over the next four years, there is £1.9 billion for urgent emergency care to support A&E departments, as well as to support ambulance services in reducing handover times.

There is also £1.5 billion for diagnostics, including funding to expand the hours of community diagnostic centres, shifting care from hospital to the community. The hon. Member for Hinckley and Bosworth noted that those centres were started under the previous Government, but we have ensured they have expanded hours and that there are more of them. Crucially, they are not built as add-ons, but are fundamental to the pathways experienced by patients in the system and ensure we have good value for taxpayers' money.

There is £473 million for mental health services, including for people with learning disabilities and autism. I think we would all agree that the mental health estate needs recognition. There is more than £280 million for community care, supporting services closer to home, and more than £139 million for electives across the next two years. To move away from paper-based systems towards modern digital services, the autumn Budget confirmed £300 million in capital investment in technology, building on the combined revenue and capital investment announced at the spending review of up to £10 billion by 2028-29.

We are transforming healthcare by shifting care out of hospitals and into the community. Over the next four years, we are investing more than £400 million to upgrade primary care buildings and deliver neighbourhood health centres, as part of our commitment to those 250 neighbourhood health centres through the rebuild programme.

Dr Evans: Will the Minister give way?

Karin Smyth: I will finish these points and answer some of the issues that have been raised.

The first 120 neighbourhood health centres will be operational by 2030 and will, as we have heard, be delivered through a mixture of public and private partnerships. I thank the hon. Member for Carshalton and Wallington for being one of the few to acknowledge that that is difficult—there is some controversy around it—but I am a strong supporter of the previous local improvement finance trust schemes and of the scheme at Southmead hospital in my local area, which was one of the better PFI schemes, and delivered unprecedented levels of care to the people of Bristol, including myself.

1.[Official Report, 16 March 2026; Vol. 782, c. 6WC.](Correction)

It is important that we learn the lessons of the past, and we absolutely have, including those in the NAO report. Working with NISTA, as has been outlined, we will continue to pursue this issue and bring forward cases.

I do not want to rehearse the lack of funding for the new hospital programme.

Dr Evans: Will the Minister give way?

Karin Smyth: No, I will not, because I want to get through my final comments.

We put the new hospital programme on a sustainable footing. I understand that local people across the country were led up the garden path and told something was going to happen. I think we all recognise that the money was not there and that the programme was not on a sustainable footing. We have backed it with the appropriate investment, which is rising to £15 billion over each consecutive five-year wave from 2030, averaging £3 billion a year. The exact profiles of funding will be confirmed at future spending reviews, and that is weighted to ensure that the schemes profiled most are caught in that.

We are progressing wave 1, and I will continue to liaise with hon. Members on progress. My message every week to any NHS trust, to any Member of Parliament, to NHS England and to the team running the new hospital programme is that we need to deliver these hospitals. There is a large queue behind them, and we have heard about some of them today. I also understand that a number of colleagues do not have a hospital being progressed in the scheme. The Government are keen to get on with building these hospitals. As hon. Members have said, a lot of this is about trust and commitment. I want hon. Members and anyone paying attention to know that I am clear about the importance of getting on with this programme, delivering on the ground and ensuring that the programme is robust.

Finally, alongside increased capital funding, we are improving how that funding is managed. As we have heard, the old processes did not work: a local scheme went to the ICB, to the region, to NHS England, to the Department, to the Treasury and back again, with huge amounts of sign-off but no control or accountability, and with no one locally understanding what was happening. We are transforming that, bringing together a team and streamlining the process, ensuring it is well governed. That will ensure that things happen more quickly, and we are already seeing that. With underspends this year, we have got the money out and into schemes already in the system. We are getting more DEXA scanners. That is how we ensure this happens on the ground.

It is up to ICBs to prioritise proposals, and we are working more closely with them to support them to bring things forward. I urge all hon. Members who have spoken today, including my hon. Friend the Member for Harrow West (Gareth Thomas), the hon. Member for Torbay (Steve Darling), my hon. Friend the Member for Rushcliffe (James Naish), the hon. Members for Taunton and Wellington (Gideon Amos), for Sutton and Cheam (Luke Taylor), for Eastbourne (Josh Babarinde) and for North Devon (Ian Roome), to keep working with their local systems on particular schemes. I am happy to keep talking to people.

To the hon. Member for Taunton and Wellington, let me say that I have met NHS England about looking at maternity in the area, which I know is a huge concern, and I am happy to meet him. I will get back to the hon. Member for North Devon about some of the numbers he outlined, which are not familiar to me. On another point that was made, we are ensuring that we are building in contingency for the future, because we live in volatile times.

Motion lapsed (Standing Order No. 10(6)).

Work Capability Assessment Timescales

11 am

Wendy Chamberlain (North East Fife) (LD): I beg to move,

That this House has considered Work Capability Assessment timescales.

It is a pleasure to serve under your chairship, Mr Western. I welcome the Minister to his place to discuss this important issue. I am grateful to him and his office for their recent engagement with my office on this issue. I am sure he has gathered from our recent correspondence that the focus of my remarks today will not be about the timescales for first-time applications for work capability assessments, but those for people who have requested a new assessment or a reassessment.

There are lots of reasons why someone might need a new assessment. No health condition follows a set path. Although we hope that someone's health might stay stable or improve, often that is not the way it works out. I do not know how many applicants are waiting for brand-new work capability assessments, but I know that the Minister wrote to me last month to tell me there was a backlog of 35,000 reassessments waiting to be seen. That is a lot of people struggling or unable to work and arguably not getting the support that they need. In response to recent parliamentary questions, I was told that the Department has no breakdown on that backlog, which I find quite concerning. I hope the Minister will take that away. I hope he will tell me in his remarks all the ways they are trying to fix the backlog, but I put it to him that we cannot add capacity if we do not know where to target, so we need a breakdown of that backlog.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for securing this debate. To add my support from a personal point of view, in my office I have a lady who looks after nothing else but benefits. She has told me that there are major issues regarding reassessment waiting times for those who are up for review. The official internal figures for Northern Ireland show that the mean average wait was around 290 working days—58 weeks—and some people are waiting as long as seven to eight years. I have to say, in all honesty, those are extremes, but it does underline the very issue that the hon. Lady is talking about. Does she agree that the one way to solve this problem is more staff? They must be hired to deal with the backlog, as applicants are feeling stressed and anxious that their financial stability might change.

Wendy Chamberlain: I am grateful to the hon. Member for his intervention. I will go on to talk about my own caseworkers' experience. It is right that we recognise that they are the people dealing with the brunt of this. I am going to outline some of the challenges and what I hope the Minister might tell us he is doing to address those.

There are different assessment providers across the UK. Maximus serves my constituency of North East Fife, whereas other assessment contracts sit with Capita, Serco and Ingeus. I would be grateful for more staffing near North East Fife, but the Department for Work and Pensions seems to have no knowledge of whether the

problems are greater in Scotland or Skegness. When I talk about delays, I am not talking about a service standard being missed by a few weeks or even a few months. Like the hon. Member for Strangford, I have cases where wait times are 18 months or more.

I want to talk about the impact of such delays on people on the waiting list. I hope the Minister and you, Mr Western, will understand that for the security and wellbeing of my constituents, I am not going to share individual details. There are common denominators across the cases that can paint a picture but, as most MPs know, the people we support are often vulnerable and have suffered considerably in their lifetimes, and it is important that we safeguard their welfare.

The common denominators are backgrounds of serious abuse, sometimes back to childhood—abuse that is hard to imagine and has a serious impact on adult mental health and wellbeing; severe anxiety, depression and post-traumatic stress disorder; physical symptoms and pain, sometimes linked to external factors like car accidents and other times linked to past and ongoing trauma. I also have at least one case waiting for a diagnosis of attention deficit hyperactivity disorder. In general, there is extreme vulnerability across the board.

Summer 2024 seems like a long time ago. There were 243 happy and optimistic newly elected Labour MPs filling the Palace, the Paris Olympics were just kicking off, London was full of Swifties for the Eras tour, and my constituents were taking the difficult decision that their health struggles were too much to manage to hold down a job and starting the process of requesting support from the DWP. That illustrates how long they have been waiting. These extended waits are absolutely debilitating. The not knowing is incredibly difficult. I think all MPs know from experience that these people worry to the point of obsessive hyper-fixation that their existing benefits will be taken away. That is added to by the stigma people feel for not being able to support themselves or their children, relying on the food bank and not being able to meet their basic needs for energy or clothes, and the anxiety of being judged by those around them.

The hon. Member for Strangford mentioned his caseworkers. I spoke with my caseworkers in the run-up to this debate. I want to take a moment to appreciate our caseworkers, because we need to remember that they are not trained as benefit advisers, counsellors or welfare specialists, but they are the ones picking up the phones day in, day out, trying to unpick what has gone wrong and providing back-up to constituents who find themselves in crisis with nowhere else to go. That is true of all MPs' offices.

Steve Darling (Torbay) (LD): As a former caseworker, I can reflect on how it can impact you as an individual. I used to play ABBA after hearing about particularly traumatic events on the phone with constituents of the MP I used to work for. We need culture change, and to make sure that those who undertake this service to the public, whether it is Capita or other providers, use a trauma-informed approach. Have you seen such a culture change within these organisations? I hope the Minister will reflect on that in his remarks later.

Matt Western (in the Chair): Order. I remind hon. Members to refer to each other as hon. Members, as opposed to "you", which is, of course, me.

Wendy Chamberlain: Culture does seem to be part of the problem in these circumstances. My view is that my caseworkers work incredibly hard, but if systems, processes and institutions worked the way they were supposed to, the casework often would not come to us in the first instance.

One of my caseworkers told me that, on the phone, someone can go from being completely fine and talking about their application and their health treatment to being in floods of tears and expressing suicidal thoughts with next to no warning. The DWP is not responsible for the underlying factors and histories of my constituents—let me make that clear—but it is here to provide a safety net. Leaving my constituents in limbo has made everything much worse. Mental and physical health are worse, and trauma responses are triggered. One of my constituents has been advised that there is no point pushing on with investigations and treatment for her pain while so many anxiety-inducing factors are ongoing, so recovery is being impacted too. Being unable to work without the additional health element of universal credit can make it incredibly difficult to make ends meet. As we all know, poverty and ill health is a terrible cycle.

The constituents I am working with are trying their best, and I am grateful to the local agencies that offer support. I would like to highlight the work of Fife Women's Aid and Square Start. The former offers invaluable trauma support and counselling, and the latter can help with all sorts of essential life skills. Many of my constituents have particularly benefited from help with budgeting and managing their finances. However, the reality is that we are all stuck in a holding pattern until the assessments are carried out and decisions are made. My constituents are not alone; they are in a cohort of 35,000 others.

The Minister mentioned the steps the Government are taking to reduce the backlog in his letter to me last month. He will be unsurprised to know that I have some questions that I hope he will be able to address today. First, can he explain why his Department has prioritised new work capability assessments over applicants who have notified the DWP about a change in condition? I am not saying that existing claimants should be prioritised, but a “first come, first served” process, or some other type of prioritisation system, might be fairer. Can the Minister explain how the backlog has got so big? If it stems back from before the 2024 election, why is it taking so long to tackle it? What grounds does his Department use for considering expediting reassessment?

My caseworkers, coincidentally, went to an information session run by Maximus yesterday, and they, with the 50 or so other staffers on the call, were told that the DWP has the power to approve reassessments being processed if it thinks there are reasonable grounds for doing so. That was news to my team and me, because DWP case handlers have consistently said that Maximus is independent and that it has no influence over its operations.

However, we were told yesterday that Maximus is under instruction from DWP to prioritise all new applications, and to look at the backlog of reassessments only if it finds spare capacity. If we write to Maximus and make the case for a reassessment being prioritised, it can escalate it to DWP, and that is where the ultimate

decision lies. I would be very keen to hear more about that and confirmation of what we were told yesterday from the Minister.

On making things faster, will the Minister please give more details of what is entailed in rapidly expanding reassessment capacity and accelerating the recruitment of health professionals? That goes to the point made by the hon. Member for Strangford. Given work capability assessments are outsourced to companies such as Maximus, what conversations is the Department having with providers about increasing that capacity? How will that be carried out and how will it be allocated geographically? The DWP already carries out some PIP assessments in-house. Has the Department considered adding capacity to work capability assessments with in-house resource?

The Minister said in his letter to me that health professionals are being encouraged to make recommendations based on the papers, rather than in person, where possible. What is he doing to make sure those decisions are being made correctly? I am aware, for example, that at least one of my constituents is stuck on a very long waiting list for PTSD and ADHD diagnoses. There are NHS backlogs everywhere, and Scotland, regrettably, is no exception.

That leads me on to my next question: how does the Minister intend to ensure, with this rapid expansion, that the right decisions are being made overall? Rushing at this stage and getting it wrong will just push the backlog into mandatory reconsideration, which helps nobody, and will lead to more delays for our constituents and more administration costs for his Department.

On a final note, although this is not why I secured this debate, I am aware that the Minister might be minded to mention the planned long-term reforms for work capability assessments. I make a plea for him to think very carefully about what assessments will be used for Scottish applicants, and how those systems will be linked with the DWP. As he knows, we have the adult disability payment under Social Security Scotland, and there are already so many problems that need fixing in how these two systems talk to each other—or do not, as the case may be. My caseworkers have to be experienced in both of these systems. At the moment, failing to fix those foundations and ensuring that the right conversations take place between the Scottish Government and the DWP would be unhelpful for everyone.

To conclude, 35,000 people waiting sounds like just another number, but it is the size of a medium town in the UK, or just a little bit smaller than the population of Lichtenstein. There is a significant cost for every person left in limbo, to us as a population and to our wider economy. I hope I have demonstrated that today.

11.13 am

The Minister for Social Security and Disability (Sir Stephen Timms): I am delighted to serve under your chairmanship this morning. I congratulate the hon. Member for North East Fife (Wendy Chamberlain) on securing this debate.

I welcome the opportunity to consider journey times in the work capability assessment, both for initial assessments and reassessments. I take the point that it is the latter group in which the hon. Lady is particularly interested. I echo her tribute to MPs' caseworkers, which was very well made. I agree with the hon. Lady that

[Sir Stephen Timms]

it is important that people claiming health and disability-related benefits have their entitlement assessed as quickly as possible, so that they get the support they need.

Let me set out the Government's policy on the work capability assessment. It was introduced in 2008 as the gateway to the employment and support allowance, which was the then new benefit to replace incapacity benefit. As it happens, I was the Minister responsible at the time. I remember being told that the WCA had been devised across Alan Johnson's kitchen table in the period when he was Secretary of State. Since 2013, it has also been the gateway to the additional health-related sum in universal credit.

Two people with the same condition can be affected in different ways, so they can have different outcome decisions from their WCA. The three possible outcomes for a UC applicant are: fit for work, where the individual is not entitled to the additional health element of universal credit; limited capability for work, where the individual gains access to the work allowance in universal credit, but gets no increased rate of benefit; and limited capability for work and work-related activity, so-called LCWRA, which gives access to a higher rate of benefit with no requirement to take part in work-related activity.

The WCA links capacity to work to additional financial support. In our Pathways to Work Green Paper last year, we outlined our plan—and the hon. Lady touched on this matter—to abolish the WCA and end the binary categorisation of people as “can work” or “cannot work”. We do not think that black and white categorisation works. One of the problems with it has been that although people deemed not capable of work are still offered help to look for work, there is no requirement to take it up and, in practice, they rarely do. The system has given up on them, but we are now changing that. Work coaches with a new specific brief to support people classified as LCWRA say they are getting a positive response from the people they are contacting.

In future, eligibility for additional health-related financial support in universal credit will be assessed in England and Wales via the personal independence payment assessment. It will be based on the impact of disability on daily living, rather than on capacity to work. The hon. Lady is right to make the point about how arrangements might work in Scotland and we are already discussing that with the Scottish Government.

Our ambition is a system that is simple to navigate, can be trusted by those who use it, provides a good experience and, generally, obtains the right decision the first time. Due to its link with the PIP assessment, the WCA abolition will not proceed until after the conclusion of the review into PIP that I am currently co-chairing. The co-chairs have recruited a steering group of a dozen people to oversee the co-produced review of PIP. Almost all of the steering group have lived experience of a disability or long-term health condition. We are going to have a full day together tomorrow, considering how to secure external input to our consideration of how the system should work in the future. The review's recommendations will be submitted to the Secretary of State in the autumn.

In the meantime, the WCA process, as the hon. Lady rightly highlighted, needs to be as efficient and supportive as possible. WCA waiting times can vary depending on

individual circumstance, including the complexity of the case, the need for further medical evidence, and customers' availability and assessment capacity. The latest reported median end-to-end journey time for new employment and support allowance work capability assessments is 87 working days. That is broadly comparable with what it was before the pandemic. It includes the four weeks that people applying for the benefit have to complete and return their WCA50 questionnaire, as well as time for the providers to request and receive further medical evidence from a GP or another healthcare professional.

New benefit applications are primarily for universal credit rather than for ESA. Clearance times for WCAs in universal credit are not yet published, but they will be in phase 6 of the proposed development of universal credit statistics. There is a big plan for how those are going to be rolled out.

As the hon. Lady explained, she has a particular interest in claimant-led WCA reassessments—when somebody already in receipt of benefit reports that their condition has worsened. She has made representations to me on behalf of constituents about that. I think I have now replied to all the letters she has written to me about that, although one of them was just earlier this week, so we have only just managed that.

As the hon. Lady said, the Department prioritises initial assessments for new benefit customers. The reason for that is to make sure that people receive the correct entitlement and employment-related support as early as possible. It is right to prioritise for those assessments people who have not got any help at all yet, ahead of those wanting a fresh look at the amount they are receiving in benefit. Reassessments are carried out when there is capacity in the system to do them.

The background to the backlog that the hon. Lady referred to is that, in late 2024, after the general election, there was a surge of new benefit claims, so there was a need for a lot of new WCAs. Handling that surge led to a backlog of claimant-led reassessments, which built up from September 2024 until May 2025. When I was advised that we had a backlog of 35,000 claimant-led reassessments, I told officials to prioritise that group, and I am pleased that most of that backlog was cleared by the start of this calendar year. The vast majority of it will be cleared altogether by the end of this month. That should mean that the problems quite rightly highlighted by the hon. Lady will be behind us.

Alongside claimant-led reassessments, there are Department-led reassessments, where the Department decides that a reassessment is needed to check that the benefit being paid is correct. They are often carried out after a benefit award has been in payment for a specified period. Those Department-led reassessments stopped altogether for a period in the pandemic and for some time after, while the backlog of new claims left by the pandemic was processed.

In the Pathways to Work Green Paper last year, we said that we would turn on scheduled WCA reassessments as we build up capacity in our assessment providers. We are prioritising scheduled reassessments for people who are most likely to have had a change in their circumstances—for example, those with a short-term prognosis, for whom we can reasonably anticipate that a

change in their health condition has occurred. That includes those with risks from pregnancy complications, or those who have recovered following cancer treatment.

We intend to do that while simultaneously reducing delays and improving timescales for those awaiting a reassessment—the group that the hon. Lady highlighted. That will mean that people who have asked for a review of their capability for work due to worsening health can be seen and receive an outcome as quickly as possible.

To do that, we will continue to increase assessment capacity significantly, through accelerated recruitment of healthcare professionals. Our providers have also expanded appointment availability, including some evening and weekend slots, and improved triage processes to identify cases that are suitable for paper-based or remote assessment, which can be dealt with particularly quickly. Those steps will continue to help improve the overall experience and ensure timely access to assessments for those who need them.

However, ensuring that people are assessed and get the support they are entitled to as quickly as possible is not everything. The hon. Lady rightly made the point, as she said in her most recent letter, that we need to “avoid cutting corners which could lead to wrong decisions being made”. She is absolutely right on that.

One important factor is whether assessments are carried out face to face. Before the pandemic, face-to-face assessments were the standard. Those stopped in lockdown and, for obvious reasons, assessments were carried out by telephone or by video call—mostly by telephone. Looking back, that worked rather better than people might have anticipated, but it meant that in 2021, only 5% of work capability assessments were carried out face to face. After the pandemic, there was a very slow return to face to face: in 2024, only 13% of work capability assessments were face to face.¹ We think it is very important for accuracy and fairness that many more of them should be carried out face to face, so we have committed to increasing that proportion to 30%. We are making good progress in that direction; the statistics will be published in due course.

The hon. Member for Torbay (Steve Darling) rightly asked about a trauma-informed approach to assessment. Assessment providers adhere to a comprehensive quality and clinical governance assurance framework that aligns with the Department’s contractual and professional standards. All healthcare professionals conducting work capability assessments have to be fully qualified and appropriately registered, and have completed the necessary specialist training, before carrying out any assessments. Once they are in the role, they also have a full programme of continuing professional development to support them.

To maintain consistent standards of accuracy, justification and clarity, providers carry out regular audit sampling of their assessment reports, which helps them to identify areas for improvement. Alongside that,

the Department conducts a programme of independent assessment quality audits. Where those identify problems, the Department makes sure that providers put things right through enhanced training, additional coaching or whatever is needed. Providers maintain a collaborative relationship with the Department, taking part in performance reviews to ensure that expectations are met and improvements are embedded.

Where performance falls below contractual quality thresholds, providers have to act promptly, perhaps with detailed improvement plans, strengthened audit processes, increased supervision or further training. The Department monitors progress closely and, if there is a significant or persistent problem of underperformance, is able to apply contractual remedies to address the problem.

Having said all of that, there are of course times when things go wrong. Earlier this week, I met with a Member who expressed concern about the outcome of a PIP assessment. I raised the case with officials in the Department who had a look at it. The assessment had been carried out by one of the assessment providers and, when the provider checked it, it agreed that the assessment was wrong; I think the individual who carried out the assessment was suspended. Things do sometimes go wrong, and it is absolutely right that Members raise these things with me so that we can address them.

One of the main reasons why maintaining quality is so important is that, as the hon. Member for North East Fife said, some of those going through the WCA are among the most vulnerable people due to the nature or severity of their disability or health condition, or for some other reason. We have in place a range of measures to identify, prioritise and safeguard vulnerable customers from the earliest stage, including helping them to complete the WCA50 questionnaire, encouraging people to have someone with them when attending an assessment and the provision of home visits, if that is needed.

We know that some people need more support than that. The hon. Lady raised that with me in a letter last October. We are not planning a triage system for prioritising such cases, because we are really focused on getting all the cases cleared as quickly as possible, but the Department has committed to a new safeguarding approach, as my right hon. Friend the Secretary of State outlined in a written ministerial statement in December, and a lot of work is going into that.

I am most grateful to the hon. Member for North East Fife for drawing this matter to the attention of the House, for her long-standing interest in this very important subject and for the contributions of others who have intervened in this debate.

Question put and agreed to.

11.30 am

Sitting suspended.

1. [Official Report, 11 March 2026; Vol. 782, c. 2WC.] (Correction)

NATO and the High Arctic

[DR RUPA HUQ *in the Chair*]

2.30 pm

Alex Ballinger (Halesowen) (Lab): I beg to move,

That this House has considered Government policy on NATO and the High Arctic.

It is a pleasure to serve under your chairship, Dr Huq. There are slightly fewer people here than I was expecting—I think we have a clash with the Ministry of Defence estimates debate—which is a bit of a shame, but I am delighted to see that we have a brace of bootnecks in the debate. I was hoping to see the Minister for the Armed Forces joining us—then we would be nearly a fire team. I note that the hon. Member for Exmouth and Exeter East (David Reed) has just told me he has never been to Norway and therefore is not a proper bootneck. The Minister for the Armed Forces would be earlier this year, so maybe he has had his fill of the ice-breaking drills.

This debate is happening at the same time as the war in the middle east, which reinforces not only the importance of naval assets, as we see the impact of the closure of the strait of Hormuz on our economy at home, but the importance of naval air defence. I am pleased that HMS Dragon will be joining the US taskforce in the Mediterranean very soon.

The importance of the Navy cannot be overstated in the middle east, but it is even more important in the High North. That is because the High North is central to the UK's security, to its economic resilience and to NATO's ability to deter Russia. If we get our posture wrong, we do not just lose influence in the polar region; we take risks in the north Atlantic, take risks with our critical national infrastructure and risk our ability to reinforce our allies during a crisis.

I will make three points in the debate today: why the High Arctic matters, what has changed in the recent past, and what NATO and the UK should do about it. The High Arctic matters because climate change is changing the geography. Receding ice is extending operating seasons, opening access and drawing in more strategic interest in shipping, minerals and energy. Those create opportunities for states bordering the Arctic, but they also create risks. More access means more traffic. More traffic means more accidents and more opportunities for coercion, especially in a region with vast distances and limited infrastructure.

The Arctic is becoming busier and more contested at the same time. Undersea competition is now a frontline issue. Our economy relies on seabed infrastructure for fibre-optic communications, power cables and gas pipelines. A single major incident with this critical undersea infrastructure can cause disruption beyond the immediate area.

Graeme Downie (Dunfermline and Dollar) (Lab): I thank my hon. Friend for leading a debate on one of the most important security and defence issues that we face. I was in Estonia at the start of January, in my role as chair of the all-party parliamentary group on Estonia. I met members of its military, as well as the British troops in Estonia, to talk about the importance of the High North and Arctic. Does he agree that partnerships

such as the joint expeditionary force and other work being done in the area are vital to the protection of the undersea cables that he correctly highlighted? It is important that we look for those effective models to defend the High North and the Arctic.

Alex Ballinger: I absolutely agree that the JEF is a vital alliance for our operations in the High North. I met the Estonian ambassador only a couple of weeks ago, and we were pleased to discuss opportunities for co-operation, in addition to the UK forces that are based in Estonia, as part of deterring the Russian threat to that part of the world.

Importantly, the High Arctic is a top priority for Moscow strategically, militarily and economically. Russia has been building up its military presence, and it is not subtle about it. The northern fleet is modernising: it has a more capable navy and increasingly active submarine operations, and it focuses on controlling access to the European High North. We should be clear about what that means for the UK. Russia's sea-based nuclear forces are concentrated around the Kola peninsula, and the High North is central to its nuclear deterrent strategy. That raises the stakes for NATO.

The Royal Navy has also seen a 30% increase in Russian vessels threatening UK waters over the past two years. Russia's navy is increasingly capable and willing to test our defences from the High North. Russia wants to exploit the Arctic for more than military leverage; it wants to dominate access to sea routes and mineral resources. For Russia, this is about economics and security, which is why we cannot treat Arctic competition as "just defence".

Recently, the big change we have seen in this region is what is happening in Ukraine. Russia's invasion has transformed European security, and the Arctic is a part of that. Two Arctic countries, Finland and Sweden, joined NATO because they concluded that, in the context of Ukraine, neutrality no longer protected them. As a result, every Arctic country except Russia is now a NATO ally. That strengthens NATO's hand, but it means that NATO's northern responsibilities have expanded.

The second development is Greenland. We all saw Trump's threats and rhetoric, which have thankfully receded. I am pleased that European countries were united in saying that Greenland's sovereignty should not be a bargaining chip.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I was fortunate to visit Nuuk in Greenland with the APPG for Greenland—of course, we discussed NATO and Trump. It is important for us to remember that the 1951 agreement between the USA and the Kingdom of Denmark gave the US rights of access to military defence. When it comes to what the United Kingdom could be doing for Greenland to develop what will none the less be geo-significant in the future, surely it is time that we should call for a consulate for the United Kingdom in Greenland.

Alex Ballinger: The Foreign Affairs Committee is going to Greenland in a couple of weeks. We hope to meet the Foreign Minister of Denmark, among other

leaders of the Greenlanders, and that sounds like the kind of sensible suggestion that we should be talking about.

Certainly, there are lots of opportunities for NATO to base troops in Greenland already; we did not need a change in sovereignty to do that. I am pleased that that has fallen off the radar. It is concerning that Trump's interest in Greenland is not a one-off. The US security strategy is explicit that the Arctic is becoming more important to America and to American national security, whether it is because of Russia, China, geography or critical minerals. We should not pretend that this was just a single passing storm.

In the Arctic, NATO is responding, but we need to be honest about the scale of the task. With the Arctic sentry, the alliance is trying to pull together a more coherent posture in the High North, with better visibility, better co-ordination and a clearer framework for operating in the sea, air, space and undersea environments.

We should also underline the importance of the Greenland-Iceland-UK gap. That strategic choke point is vital to NATO. It affects how Russia can move submarines into the wider Arctic, it affects the security of reinforcement routes in a crisis and it sits alongside the undersea infrastructure that we rely on every day.

I will raise the joint expeditionary force, which my hon. Friend the Member for Dunfermline and Dollar (Graeme Downie) raised earlier. The UK-led JEF has real value in this part of the world; it is practical, northern-focused and moves faster than the full NATO machine in the early stages of a crisis. That is exactly the sort of framework we should use to build readiness, interoperability and credibility.

Ben Obese-Jecty (Huntingdon) (Con): The hon. and gallant Member is making a hoofing speech. He mentioned the Greenland-Iceland gap. We have committed to Operation Firecrest later this year, which will see the carrier strike group go to the High North as a deterrent against the Russian northern fleet breaking out of the Kola peninsula and moving across the Barents sea and into the open ocean. With the emergence of the conflict in the middle east, a potential commitment to a post-conflict force in Ukraine, a commitment to troops in Norway and Operation Firecrest, does he share my concern that we may have to make some very difficult decisions about how much capability we are able to deploy to ensure that our interests are looked after across all those fronts?

Alex Ballinger: The hon. Member makes a good point. Our naval capability has sadly diminished; we have fewer destroyers and frigates than we used to, and we are rightly deploying some of those to the Mediterranean and the middle east at the moment.

There will have to be hard choices as we approach that timescale. I think those will depend on the situation in the middle east at that point, but maybe the Minister can address that in her remarks. Later in my speech, I will raise what we might want to do about capability. It is important that NATO is backed by increased capability regarding ships, aircraft, sensors, munitions, trained people and deployable logistics; otherwise, our response will fall short.

The First Sea Lord has made the case for UK action in the High North repeatedly. In recent speeches, he has said that the High North is a critical area, that Russia's submarine force is a huge concern and that we need more warfighting readiness now, not a peacetime posture. He has also said that

“the advantage that we have enjoyed in the Atlantic since the end of the Second World War is at risk”

unless we take action soon.

I want to ask the Minister whether we are resourcing this crucial area sufficiently. We continue to retire Type 23 frigates—anti-submarine ships. Five have retired since 2021, including HMS Lancaster most recently, but are we retiring them before replacements are ready? We have the Type 31 programme coming on soon, but it would be nice to have reassurance on the timelines and the risk that we are taking if there are gaps. If we are relying on future ships for future threats, we need confidence that they will arrive before the threat does.

We cannot talk about the High North without talking about the vital contribution of the Royal Marines—our Arctic-trained troops—who are ready to operate alongside Norwegian, Dutch and other forces. That is a genuine strength, but cold weather expertise must be backed by enablers—lift, sustainment and surveillance assets.

That brings me to the most important point: the defence investment plan. We can announce deployments, launch missions and make speeches about the High North, but if we do not publish a clear investment plan that is costed and credible, our adversaries will conclude that the UK strategy is stronger in rhetoric than in reality. The Chairs of the Defence Committee and the Public Accounts Committee have warned that delay sends damaging signals to our adversaries, and they are right. We are serious about the Arctic. We need serious choices, and we need them now, not in a year's time.

There is a practical, day-to-day test. We are facing concurrent pressures in other theatres, including recent deployments to the middle east. The question is not whether we can deploy ships to other regions on paper; it is whether we can do it without hollowing out our commitments to other parts of the world.

I want to put three questions to the Minister. First, when will the defence investment plan be published? Secondly, do we have sufficient ships that are suitable and available to operate credibly in the north Atlantic and respond to the serious crisis in the middle east at the same time? Thirdly, what steps are the Government taking bilaterally and through NATO to reassure Denmark and strengthen stability around Greenland while making it clear that sovereignty is not negotiable and that influence operations will be resisted?

The High Arctic is becoming a sharper edge of competition. Climate change is opening access, Russia is militarising, undersea vulnerability is rising and NATO is adapting. The UK has a choice. We can treat this as a niche theatre and muddle through, or we can treat it as what it is: a direct test of our seriousness as a north Atlantic power. Deterrence is built on credibility, credibility is built on capability, and capability requires investment. That is why the defence investment plan and ship availability matter.

Several hon. Members *rose*—

Dr Rupa Huq (in the Chair): Order. I remind Members to bob if they want to speak, and then we will work out who is next.

2.42 pm

Jim Shannon (Strangford) (DUP): It is a real pleasure to serve under your chairship, as always, Dr Huq. I thank the hon. Member for Halesowen (Alex Ballinger) for leading the debate in such a helpful way. He set the scene, the focus and the strategy, and he asked questions that I was going to ask—great minds think alike. He has a greater mind than me, by the way. I thank him for all that he does in this House. In the year and six months or thereabouts that he has been here, he has made a name for himself in canvassing the Chamber and in the way that he presents his case. He has done his constituents proud today, and he should be congratulated on that.

The High Arctic may lie far away from our coastline, but the sea lanes, the airspace and the critical undersea infrastructure are fundamental to the United Kingdom's security and economic wellbeing. Defence is obviously about protecting our people and our assets, whether they be around the United Kingdom or further afield, but it is also about economic wellbeing. I am very impressed by the Government's commitment to the defence industry on the mainland and in Northern Ireland. The Minister has always told us about the Government's commitment.

We have seen the financial commitment to weapons and cyber-activity through Thales and SPIRiT, and the Government have been keen to build on that. After the south-east of England, Northern Ireland is the most credible part of the United Kingdom when it comes to cyber-security, and I welcome that very much. That is down not only to the companies that we have but to the Government's commitment to that, and we thank them for that.

Complacency must never be an option. I am pleased to be here to discuss this issue and see what more we can do to support the High Arctic. I am a fair weather person who likes sunshine and heat. It is highly unlikely that I would be seen in Norway and I have no interest in skiing because it looks too cold for me. I enjoyed watching the winter Olympics on TV and it was good to see our team doing well. Five times we came within 0.2 seconds of winning another medal. That tells us about the achievements of this wee country and makes us proud to be British.

Over the past few days we have heard all too well the importance of national security and infrastructure. My goodness—not a day goes by when we know what will happen next. I am a man of faith, so I trust in someone better in control who is in heaven looking down at us. I am quite clear in my mind where my faith and trust lie. In the world, there are 67 wars: think of that. It is almost a world at war, and we have seen that reflected in the middle east in the past few days.

The High Arctic has proven central to Atlantic security and maritime trade routes and the importance of the Greenland-Iceland-UK gap. Sometimes that is forgotten about. Some hon. Members have travelled to Greenland, but President Trump's focus on the country has made us think about its importance. Maybe we did not see it in the way we should. I thank those hon. Members who have been instrumental in that. I understand that the hon. Member for Halesowen is going there shortly.

Liz Saville Roberts: Of course, we are at risk in our democracy of looking at things in the very short term. With climate change, 30 years from now the access to key rare earth minerals, and possibly shipping lanes, in the far north may have changed considerably.

Jim Shannon: That is the focus we need to have. Climate change is affecting the world. We might find ourselves in a slightly different geographical position in a short time. The right hon. Lady has illustrated that to our advantage.

The Greenland-Iceland-UK gap remains vital for monitoring submarine activity. I can never understand how anybody can get into a submarine; it is too claustrophobic for me, but I admire those who do, as they play a vital role in the defence of this great nation. It is no secret that Russia has expanded its Arctic military footprint, which may be what Trump is looking towards. We need to be aware of Russia's input, especially its submarine operations, air bases and missile systems. The Arctic region is a key domain for undersea infrastructure. Protecting the integrity of UK security is a major priority. NATO allies must remain as a cornerstone of support in doing that.

When we focus on the importance of where we are, we support the policies that strengthen deterrence rather than encourage confrontation. I cannot remember which one, but a US President said:

“Speak softly but carry a big stick.”

That reminds us that we must have a deterrent—the nuclear power and the submarines and the strength of the Army—to persuade others not to go to war. That is the ultimate goal we all try to achieve. We must also maintain readiness to respond to threats and ensure that military deployments to Norway and the north Atlantic are exercised and fully trained. Again, we see commitment from the British Army and NATO, Estonia, Lithuania and Latvia, as well as Poland. Those troops are the best.

The hon. Member for Halesowen mentioned the Marines, and there are none better. When I was a wee boy, I was always saying, “I am going to be a Royal Marine.” As an eight-year-old, that was my big ambition. It obviously never happened, but I did serve part time in the Ulster Defence Regiment and in the Royal Artillery. It was a slightly different role and not as exciting as the Marines—it never could be—but it was an incredible role.

We often have discussions around defence spending. A proper budget is needed to perfect intelligence and surveillance of the High Arctic. In strategic terms, sea lanes and undersea cables are vital. I asked the Minister a question over recess, and the Joint Committee on the National Security Strategy came to the main Chamber maybe six or eight weeks ago and referred to undersea cables. In my question to the Select Committee Chair, the hon. Member for Warwick and Leamington (Matt Western), I asked about the undersea cables that come across the North sea, down to England and across to Ireland. The Republic of Ireland is a soft belly. Do we have a role to play in securing the undersea cables that go from there across the Atlantic as well? Of course, the Republic of Ireland does not have the Royal Navy, the Army or the personnel that we have. Are there discussions, or is there a relationship or a defensive agreement, between the United Kingdom and the Republic of Ireland to ensure that the undersea cables that go

across the Atlantic are protected? The Chair of the Select Committee was unable to confirm that. That is not a criticism; I am just saying that I asked a question and the answer could not be given.

The undersea cables and the Arctic's stability affect trade, energy and global security. Furthermore, the United Kingdom and the United States have shared interests in terms of the Arctic region. Of course, President Trump has made his opinions clear in relation to Greenland, but close co-operation ensures that NATO can respond rapidly to threats, particularly from Russia. The United States, as the right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) and the hon. Member for Halesowen mentioned, has bases in Greenland. It has feet on the ground and it is building up to using that footprint as a protection or a launchpad. It is important that we have that relationship with the United States.

To conclude, I stand firmly for a united NATO, a credible deterrent to aggression and robust investment in our armed forces to ensure they are equipped for operations in the High Arctic. We have an enduring partnership with the United States of America and we must strengthen our ability to defend vital waters and airspace. The hon. Gentleman asked about the number of ships being built for the Royal Navy to enhance its position. I know the Government are giving everything to enhance investment—that is never in doubt—but maybe the Minister could tell us about their commitment to the Royal Navy, which is clearly needed.

I say this with incredible respect. For 10 days our base in Cyprus was potentially under attack. My comment is not an attack on anybody, but why on earth did we not send a ship to protect Cyprus 10 days ago? It niggles me whenever we see the French and the Germans giving us protection.

Alex Ballinger: I am sure the Minister will respond, but the hon. Gentleman will know that there are allies of ours in the Mediterranean as well, including a large American flotilla. It is appropriate for us to work closely with other air defence assets. The single ship that we have sent would not have changed the situation entirely; there are other assets out there as well.

Jim Shannon: The point I am trying to make is that there is a perception across the world that the United Kingdom, who ruled the waves 300 years ago or whenever it was, has not got a ship that it can send. That sends a message. The hon. Gentleman is right about working with our allies. We cannot fight a war on our own any more; we have to do it collectively, but there is something that niggles me whenever I recognise that. It is not meant to be an attack on anybody; I am just making the point that we need to be seen to be proactive.

2.54 pm

Amanda Martin (Portsmouth North) (Lab): It is a pleasure to serve under your chairmanship, Dr Huq. I am grateful to my hon. Friend the Member for Halesowen (Alex Ballinger) for securing this debate and also for his service. I have not served myself, unlike the hon. Member for Exmouth and Exeter East (David Reed), who is speaking for the Opposition, but I have been to Norway.

I am grateful for the opportunity to speak in the debate, because last month I spent five days in the High North with the armed forces parliamentary scheme, visiting British Marines, sailors and soldiers training in

northern Norway. From my arrival in Tromsø to field exercises in the Mauken training area and aviation operations at Bardufoss, I saw at first hand what Arctic readiness really means. It is impossible to witness that work and not conclude that the High North is central to Britain's security in some of the harshest conditions imaginable—sub-zero temperatures, deep snow, limited daylight. Our personnel demonstrated extraordinary mobility, reconnaissance capability and survival skills. They operated seamlessly alongside Norwegian and other NATO allies with professionalism, pride and determination. They understand that what they are doing matters not just to the alliance, but to the safety and prosperity of the people back home.

The High North is not a remote periphery. It is strategically vital. Maritime routes are opening; energy infrastructure is concentrated there; and critical undersea data cables that power our digital economy run through those waters. That is without the impact of climate change, which we have heard about. As competition intensifies, allied readiness in the Arctic is not optional—it is essential. The Government have recognised the realities, as has the First Sea Lord.

As vice-chair of the APPG for the armed forces, representing the Navy, and as the Member of Parliament for Portsmouth North, it would be remiss of me not to mention our two aircraft carriers, His Majesty's ships *Queen Elizabeth* and *Prince of Wales*. HMS *Queen Elizabeth* deployed to the High North in autumn 2021, as part of the UK carrier strike group 21 deployment. During that period, the ship operated in the north Atlantic and near the Arctic circle, including in exercises with Norway and our NATO allies. She returned to northern waters again in 2023 for further NATO and joint exercises, focusing on cold-weather and Arctic operations. I am proud to say that when she returned in 2023, my son was serving on that ship.

In 2022, His Majesty's ship *Prince of Wales* also deployed on a major NATO maritime deployment in the north Atlantic, following Russia's invasion of Ukraine. The ship operated again in northern waters early in 2024, taking part in NATO's large-scale exercise in Norway and the surrounding Arctic region. We have committed to her returning there in the near future. All the evidence is that we, as a Government and as the armed forces, as the First Sea Lord has said, are taking our national security very seriously.

Our national security policy positions the United Kingdom at the forefront of efforts to make NATO stronger, fairer and more effective, and commits us to strengthening our armed forces and protecting our national security in the face of growing threats from state actors. Those commitments are not abstract, because they underpin the Government's defence investment pledge, agreed with NATO allies, to raise defence and security spending to 5% of GDP by 2035, reinforcing our broader national resilience and collective deterrence.

The UK's preparations for Exercise Cold Response demonstrate our commitment to NATO and our collective defence. They send a clear signal that we stand shoulder to shoulder with Norway and our allies, and that we are prepared to operate and, if necessary, defend in the most demanding of environments. Since taking office, this Government have doubled down on our strategic posture in the High North, including with plans to

[Amanda Martin]

double the number of UK troops deployed to Norway over the next three years to strengthen security in the Arctic and the High North.

Readiness, however, is not only about kit and capability; it is about people. I not only observed exercises, but spoke at length with those deployed about welfare, sustainment and the realities of repeated operations far from home. They spoke candidly about separation from their families, the physical and mental demands of Arctic conditions, and the importance of clear political direction and sustained investment—as well as about the kit.

If we are serious about Arctic readiness, we must ensure that our defence policy reflects operational reality and not assumptions, and that our people at home and abroad get what they need. That means listening carefully to those who deliver the missions, ensuring that equipment is fit for purpose, guaranteeing that logistic chains are resilient, and recognising that deterrence begins long before a crisis emerges. It also means that we must champion the alliances that make our security possible. Labour's manifesto reaffirmed our absolute commitment to NATO, and to ensuring that Britain plays its full part in collective defence.

While I was in the High North, our Norwegian partners spoke about their genuine respect for the capability and reliability of our British forces. Their trust has been built over decades of partnership and a real shared endeavour. In the High North our forces are prepared and professional, and they are proving that Britain remains a serious and dependable ally. Our responsibility is to match that commitment with our own, to provide the strategic clarity, resources and long-term vision that Arctic readiness demands.

I echo the three questions put by my hon. Friend the Member for Halesowen and add one of my own: a request from service personnel. In terms of our troops on the ground, how can we ensure that what are often seen as soft materials—their gloves, jackets, uniforms, boots, body armour and backpacks—are the best they can be? How can we ensure that they are listened to when it comes to the real things used by real people?

3 pm

Dr Al Pinkerton (Surrey Heath) (LD): As ever, Dr Huq, it is a great pleasure to serve under your chairmanship. I thank the hon. and gallant Member for Halesowen (Alex Ballinger) for securing this geostrategically important debate and drawing this issue to the attention of the House.

At a moment when the world's attention is understandably distracted and drawn to other parts of the world—whether to the brutal war in eastern Europe or the escalating tensions in the middle east—it would be all too easy to park an issue such as this and see it, perhaps, as something for the future rather than as something for immediate attention. I contend, however, that that would be an enormous strategic error; history, after all, has a terrible habit of punishing those who overlook the vital importance of geography.

The opening up of the Arctic is undoubtedly one of the most consequential geopolitical shifts of the 21st century. As we know, climate change is transforming the region at extraordinary speed. Retreating sea ice is opening

new maritime routes and increasing access to energy resources and critical minerals, drawing renewed strategic interest from major powers.

At the same time, the co-operative governance structures that once defined the Arctic are under strain. For much of the post-cold war period, the region was described as “High North, low tension”. That description no longer holds. The era of Arctic exceptionalism seems to be over. Russia's invasion of Ukraine has fractured the Arctic Council and accelerated the wider geopolitical tensions that now shape the region. Strategic competition is returning to the High North—not as a distant possibility, but as a clear and present reality.

Although the United Kingdom is not an Arctic coastal state, we are undeniably a near-Arctic nation. We are geographically proximate, strategically exposed and directly affected by developments in the High North. Instability in the Arctic affects our maritime approaches, north Atlantic shipping lanes, subsea cables, offshore energy infrastructure, and ultimately the deterrent posture of the Royal Navy. For the United Kingdom, the Arctic is not a remote frontier; it is part of our immediate strategic environment.

A few weeks ago, I had the enormous privilege of visiting Greenland and Denmark, alongside my Liberal Democrat colleague, my hon. Friend the Member for Bicester and Woodstock (Calum Miller). I can report that in Nuuk, Greenland's capital, life often appears outwardly calm. The harbour is busy and the cafés are full. The rhythms of daily life continue, despite the long Arctic winter and the limited daylight available in February, when I was there. However, anyone spending any time talking to Greenlanders will hear something quite different: a persistent and gnawing anxiety about what might be coming down the tracks from not Moscow or Beijing—nobody realistically thinks that either Russia or China pose an immediate threat to Greenland—but, extraordinarily, from Washington.

Richard Foord (Honiton and Sidmouth) (LD): My hon. Friend knows a great deal about this subject; I am also grateful to the hon. Member for Halesowen (Alex Ballinger) for securing this debate.

Yesterday, President Trump suggested that our current Prime Minister is no Churchill. Should we not add that the current President of the United States is no Franklin D. Roosevelt? FDR was a big supporter of the development of the United Nations and knew about the importance of sovereignty. Does my hon. Friend share my view—I think he will—that who governs their countries is a matter for the Danes and Greenlanders alone?

Dr Pinkerton: I am grateful to my hon. and gallant Friend for his intervention; the President of the United States is perhaps more Teddy Roosevelt than Franklin Delano Roosevelt. He seems to be living every day under the impression that his mission should be to expand US territory and to plant the US flag, no matter how loyal and allied the country in question has been in the past.

I clearly recall the deeply offensive remarks that the President of the United States made about both Britain and Denmark's past military contributions to US international adventurism. I remember watching a film called “Armadillo” about the extraordinary work that Danish troops did on the frontline in Afghanistan. I agree with my hon. Friend's comments wholeheartedly.

For Greenlanders, this is not a recent experience; they have been living with the threats of Donald Trump for the best part of 12 months. Over the past year, he has repeatedly suggested that the United States should “acquire” Greenland, presenting the idea as a matter of American national security. Sitting here in Westminster, it may be tempting to dismiss such remarks as rhetorical theatre, but in Nuuk they are experienced profoundly differently. Greenland is a self-governing Arctic society of 56,000 people. When the world’s most powerful country repeatedly discusses one’s homeland as though it were a strategic asset to be acquired, the effect is not abstract.

During my visit, we heard accounts of families stockpiling supplies. Some described moving savings abroad in case of financial disruption to their homeland and their lives. Others spoke of delaying vital, essential medical treatment in Denmark—treatment that many Greenlanders rely on—because they feared that further escalation would mean that they would not be able to return to their homeland afterwards.

Greenlandic commentators have described the psychological effect of the campaign from the United States as a form of “mental terror”. It is a striking phrase, but it captures an important truth: security in the Arctic is not solely about missiles, submarines and military installations; it is also about trust, stability and the ability of societies to live without fear.

There is also a profound strategic irony here. The United States already enjoys extensive rights in Greenland under the 1951 US-Denmark defence agreement, including the operation of the Pituffik space base—formerly, the Thule air base—and any other base that it may wish to re-establish in the present moment. Greenland sits inside NATO’s security architecture through Denmark and benefits from the protections of article 5. The idea that Greenland must somehow be owned to be defended simply does not withstand any scrutiny. What it challenges, however, is something far more fundamental: the principle that people are not property and that sovereignty cannot be negotiated away for strategic convenience.

Across Greenlandic politics, the response has therefore been consistent and unequivocal: Greenland is not for sale. For liberal democracies, that principle should not be negotiable. If western democracies cannot defend the idea that territories cannot be simply acquired by powerful states, then the rules-based order that we claim to uphold begins to look increasingly selective and fragile. Nowhere are those principles more important than in the wider strategic geography of the North Atlantic.

At the heart of that geography lies the Greenland-Iceland-UK gap: the naval corridor between Greenland, Iceland and the United Kingdom. During the cold war, NATO prioritised that corridor to detect and constrain the submarines of the Soviet northern fleet departing the Kola peninsula into the Atlantic. Today, it has again become central to NATO’s strategy. Russia’s northern fleet must transit through or around the GIUK gap to reach the north Atlantic.

Monitoring the corridor remains essential to tracking submarine activity and protecting the integrity of the north Atlantic. The corridor also safeguards the sealines of communication between North America and Europe. In any NATO contingency, the transatlantic reinforcement route would pass directly through those waters. If the GIUK gap were compromised, the United Kingdom’s western maritime flank would be exposed. Control and

surveillance of the space are therefore fundamental to preventing adversaries from projecting power into the north Atlantic or threatening western Europe and North America.

Within the strategic geography, Greenland’s importance cannot be overstated. Its location makes it pivotal for missile early-warning systems, Arctic sea routes, access to the north Atlantic, and space-based infrastructure. Destabilising Greenland or undermining Danish sovereignty would fracture NATO cohesion, complicate security in the GIUK gap and weaken Arctic governance structures at precisely the moment when unity is most needed.

The Liberal Democrats are therefore clear: sovereignty and international law are not negotiable principles. I am deeply concerned that the Prime Minister has yet to state unequivocally that British soil, British bases and British facilities would never be used to propel American troops on to Greenlandic territory by force. The Government must put that matter beyond doubt.

Any suggestion that one NATO ally could coerce another would erode alliance cohesion, weaken deterrence and play directly into the hands of President Putin. Fragmentation in the Arctic theatre would directly benefit Russia’s northern fleet posture and its wider Arctic military strategy. Again, this is not about abstract diplomacy; it is about the credibility of collective defence. The UK must therefore deepen its commitment to Arctic security and north Atlantic resilience. That means strengthening anti-submarine warfare and maritime domain awareness, investing further in north Atlantic patrol and surveillance capabilities, and reinforcing defence co-operation with our Nordic and Baltic partners.

Crucially, the Government should invest further in the Joint Expeditionary Force, and convene a summit of JEF leaders here in the United Kingdom to address the rapidly evolving security environment in the High North. The reality is simple: the Arctic is no longer a peripheral concern; it is at the frontline of strategic competition, alliance solidarity and international law.

I leave the Minister with three questions. First, what concrete steps have the Government taken to ensure that the UK is prepared for the reality that I have just outlined? How is the UK strengthening defence co-operation with our Arctic allies, including considering enhanced diplomatic presence in Greenland and perhaps the establishment of a permanent consulate in Nuuk?

Finally, the strategic defence review mentions the High North as a space of geopolitical and geostrategic interest, but does not offer a defence strategy per se. Do the Government intend to bring one forward? How does the Government’s future procurement reflect that strategic concern?

3.12 pm

David Reed (Exmouth and Exeter East) (Con): It is a pleasure to serve under your chairship, Dr Huq. I echo the initial comments of the Lib Dem spokesperson, the hon. Member for Surrey Heath (Dr Pinkerton), in thanking the hon. Member for Halesowen (Alex Ballinger), a fellow former Royal Marine, for bringing this debate to the House today. This is a massively important subject, and I am glad that we have the opportunity to discuss it. I hope that we will continue to discuss it because the area will only increase in importance.

[David Reed]

We all know that the High North is no longer a distant theatre of academic interest or a place for explorers' delight. It is fast becoming the new frontier of great power competition. As the ice retreats through climate change—we have heard about that from many Members today—strategic rivalry advances. Sea routes are opening, undersea infrastructure is exposed and military activity is increasing.

The Arctic is no longer insulated by geography or climate, and it is becoming a central arena in the contest between major powers. The decisions that we take now will shape the security of the north Atlantic for decades. The hon. Member for Halesowen outlined that very clearly in his opening remarks. Russia views the Arctic as a core strategic bastion. Its northern fleet operates from heavily defended bases in the region, protecting its nuclear deterrent and projecting power into the north Atlantic. Moscow treats Arctic territory and resources as central to its long-term security and economic resilience.

On the other hand, the United States sees the Arctic as integral to homeland defence and the security of the transatlantic alliance. Greenland, which we have heard about today, and the wider north Atlantic have returned to prominence in American strategic thinking, as reinforcement routes and early warning systems regain importance.

Lastly, China, although not an Arctic state—it claims to be a near-Arctic state, whatever that means—has steadily expanded its presence through research, commercial investments and polar shipping, signalling long-term interests in Arctic trade routes and resources. That will only increase as climate change reduces the ice.

The Arctic is a theatre where Russian militarisation, American strategic recalibration and Chinese expansion intersect, as many Members have set out clearly. That is why NATO now treats the defence of the High North as a strategic imperative. The accession of Finland and Sweden has transformed the strategic geometry of the region, as the hon. Member for Halesowen rightly said. We have seen over recent years that NATO's northern flank is stronger and more coherent.

The GIUK gap and the north-Atlantic sea lanes—the arteries through which reinforcements would flow in a crisis—have regained their cold war significance. NATO's launch of Arctic Sentry earlier this year reflects that reality, and I am glad that has happened. It signals a recognition that deterrence in the High North must be persistent, co-ordinated and credible.

The United Kingdom says that it understands the shift. Under the last Government, the 2023 "Looking North" policy framework set out a whole-of-Government approach across security, science and the environment. Fast-forwarding to this Government, the strategic defence review acknowledged that developments in the High North have direct consequences for the Euro-Atlantic and the United Kingdom's place within it. Ministers have also highlighted the Royal Navy's approach to Atlantic Bastion, which is intended to secure the north Atlantic through a networked mix of warships, aircraft and autonomous systems.

Important steps have been taken. The United Kingdom is strengthening co-operation with Norway through the Lunna House agreement and the JEF, to counter undersea

threats and protect NATO's northern flank. The Royal Marines—my old outfit, and the hon. Member for Halesowen's—continue to train in Norway, including through exercises such as Cold Response and our training presence at Camp Viking, which is set to expand. I put on the record my thanks to the Royal Marines delegation that recently came to Parliament, under Brigadier Jaimie Norman, to educate us on the High North. It was a fantastic day that left a lasting impression on us all.

The UK will contribute to NATO's Arctic Sentry mission, with the carrier strike group deploying to the north Atlantic later this year under Operation Firecrest. I hope the Minister will expand on the point raised by my hon. Friend the Member for Huntingdon (Ben Obese-Jecty).

The actions I have mentioned demonstrate intent, but the House must distinguish between intent and delivery. The Government have chosen not to publish a refreshed stand-alone High North defence strategy; instead, Arctic policy has been folded into broader defence frameworks. I am sure there is a good reason for that and look forward to hearing the Minister's rationale for it, but the Opposition, if we are playing a good friend to the policy, think it risks diluting focus.

If the High North is truly the new frontier of great power competition, the United Kingdom's objectives there should be clearly defined. Are we primarily focused on securing reinforcement routes across the north Atlantic, or on protecting critical undersea infrastructure, which the hon. Member for Strangford (Jim Shannon) referred to? We need a much better strategy across all our partners. I think that is being developed, but the question is whether it is being developed fast enough.

It has been made quite clear in the debate that the United Kingdom does not currently maintain capabilities dedicated specifically to Arctic operations. Without additional capacity, Arctic ambition risks becoming a competition for scarce assets rather than a sustained strategic commitment, as I think would be acknowledged by anyone who sees themselves as our adversaries.

The Royal Marines are a good microcosm through which to see the challenge clearly. They are being asked to pivot towards High North operations—they are specialists in that environment—while continuing special operation roles and global deployments.

I want to put on the record, as the hon. Member for Halesowen did, that I never spent any time in the Arctic, even though I am a former Royal Marine, and it is said that until someone has spent time in Norway, they are not a proper bootneck. Given that the hon. Member for Portsmouth North (Amanda Martin) has spent five more days in the High North than me, I defer to her more recent knowledge. Before the debate started, the Minister offered to join me back up again; I am still unsure whether that was a threat or some sort of treat; given that the hon. Member for Strangford also wants to join the Royal Marines, maybe we can do it together.

Cold weather warfare cannot simply be improvised, as the hon. Member for Halesowen will know, having been deployed up in that area, nor can credible specialist capability exist without, as he said, the lift, logistics and sustainment that enable it. In the undersea domain, the stakes are even higher. The North Atlantic seabed carries the cables and energy links that underpin our economy and communications; the hon. Member for Strangford talked about the economic security that we all rely on.

Deterrence in the High North will increasingly be measured below the surface, in the submarines tracked, cables monitored and infrastructure protected. The Lunna House agreement with Norway, which includes co-operation on anti-submarine warfare and the protection of undersea infrastructure, is strategically sound, but the interoperability on paper must translate into persistent operational presence at sea. That means modern anti-submarine capabilities, sufficient hulls available for deployment, and the crews required to sustain them.

The strategic defence review acknowledged that the Arctic is a region of increasing competition in the United Kingdom's wider neighbourhood, yet it did not outline specific capability adjustments tailored to the theatre. If the High North is becoming central to NATO deterrence, treating it simply as an adjunct to other priorities will not suffice. To go back again to the overriding point that we keep hearing, I really hope there is clear detail in the defence investment plan, whenever it is released, and that the Minister can give a clearer view on when that will be. The House of Lords has also raised concerns that the United Kingdom risks aspiring to a meaningful security presence in the High North without the resources to sustain it. Those concerns have not yet been fully answered.

Recent events elsewhere underline the importance of readiness. When crises escalate, forces held at high readiness must deploy rapidly. Air and missile defence must be integrated, munition stockpiles must sustain operations over time, and the growing cost imbalance between high-end interceptors and low-cost threats cannot be ignored. These challenges go to the heart of credibility. NATO deterrence in the High North depends on the confidence that allies can reinforce Europe across the Atlantic, defend sea lanes and protect the northern flank under pressure. If we speak of Atlantic Bastion, we must demonstrate the ships, aircraft and trained crews required to make it real.

Let me be clear: the Opposition support a strong NATO presence in the High North, and we want to work with the Government to strengthen it wherever we can, but we cannot support some of the plans without being a critical friend. We will therefore ask the Government to define clearly the objectives of the United Kingdom's contribution to Arctic Sentry. We will ask how Atlantic Bastion is being resourced and crewed, how the expansion at Camp Viking will be sustained alongside global commitments, and how the protection of undersea infrastructure is being operationalised in practice.

The High North is becoming the northern gateway to the United Kingdom's security. It is the corridor through which allied reinforcements would flow, and it is where deterrence will increasingly be tested below the surface. If this is the new frontier of great power competition, we must treat it with the seriousness that such a frontier demands. The strategy must be clear, the capability must be credible, and the resources must match the ambition.

3.23 pm

The Minister for Veterans and People (Louise Sandher-Jones): It is a pleasure to serve under your chairship, Dr Huq. I am grateful to my hon. and gallant Friend the Member for Halesowen (Alex Ballinger) for initiating this debate on the high Arctic and its increasing importance to our security—an incredibly important topic.

As my hon. and gallant Friend knows well from his time as a Royal Marine, the UK has a long and storied history in the High North, and for some 50 years the Royal Marines have practised Arctic warfare alongside our Norwegian allies. Indeed, he may have taken part in the rite of passage of plunging into the ice, as I believe the First Sea Lord did again when he visited troops there only last week.

As the threat from Russia has cast an increasingly long shadow over Europe, our High North capabilities have grown only more important, and today High North deployments of Royal Marines are up 40%, with year-round cold-weather operations. The reality is that we have a frontline with Russia in the North Atlantic, and the Russian threat is higher than it has been for decades. We have seen from the activities of the spy ship Yantar that Russia is an increasing threat to our critical underwater infrastructure. We see Putin rapidly re-establishing military presence in the region, including reopening old cold war bases. Last year, Russia and China conducted their first joint air patrol into the Arctic circle. China has declared itself a near-Arctic state and expanded its icebreaker and research vessel presence.

The changing military picture is fuelled by the changing climate and rising temperatures, and a number of Members rightly raised how pivotal it is to understand climate change and recognise the huge threat it poses to our security. It is vital to consider it in that way. The Arctic is warming up four times faster than the global average, and the strategic defence review projects the region to be ice-free each summer by 2040, opening new routes, trade dynamics and flash points. Our responses to those challenges were set out in the SDR: we need increased investment, new technologies and stronger alliances. We are prepared to meet those challenges.

Spearheading our capabilities is our littoral response group north, which is our specialised Royal Navy task group that deploys across the north Atlantic, the Baltic and the High North, with dedicated personnel, ships and helicopters to project power and respond to crises. We have also launched Atlantic Bastion, which is our groundbreaking programme to protect the UK from Russian undersea threats using an AI-powered network of sensors.

We are working ever more closely with our nine partner nations that make up the joint expeditionary force. We established Operation Nordic Warden with JEF allies, working together to track threats to undersea infrastructure from Russia's shadow fleet—a responsibility now assumed by NATO. Last autumn, we conducted Exercise Tarassis, which was JEF's largest ever military exercise, involving more than 1,700 British personnel, alongside air, land and naval forces from Scandinavian and Baltic nations.

On a visit to Norway last month, the Secretary of State went further still, announcing that Arctic and High North security will be strengthened against rising Russian threats as Britain steps up its presence in the region. He also announced a major joint expeditionary force, Exercise Lion Protector, which will see air, land and naval forces from JEF nations deployed across Iceland, the Danish straits and Norway, and trained to protect critical national infrastructure against attacks and sabotage, and enhance their joint command and control capabilities. The Secretary of State confirmed that the number of British troops deployed to Norway will double over three years, from 1,000 to 2,000 personnel.

[*Louise Sandher-Jones*]

Finland and Sweden's accession has transformed NATO's northern posture, meaning that seven of the eight Arctic states are now NATO allies. The whole alliance is consequently more focused on the threats and challenges to our north.

As can be expected from a Government who have put NATO first, NATO is at the heart of our response to growing threats and tensions in the region. The UK is playing a full part in NATO's Arctic sentry mission, which is enhancing NATO's posture in the Arctic and High North, and we currently have 1,500 commandos deployed across Norway, Finland and Sweden as part of Exercise Cold Response. Planning is at an advanced stage for Operation Firecrest, and the upcoming deployment will see our carrier strike group across the Atlantic and High North. Of course, we continually review threat levels and will change our policies accordingly. The thousands of personnel from the three services are spearheaded by HMS Prince of Wales, and parts of the deployment are under NATO command.

Our military co-operation in the Arctic is underpinned by key bilateral partnerships that have all been strengthened under this Government. Russia's growing activity across the Arctic, High North and north Atlantic has changed the security picture for the region. The UK, with its 50-plus years of history operating in the Arctic, and through our deep partnerships with allies, including Norway, Sweden and Finland, will be at the centre of NATO's northern response from day one.

In December, the Defence Secretary signed the historic Lunna House agreement with Norway, which will see the UK and Norway jointly operate a fleet of submarine-hunting Type 26 warships, expand joint Arctic training and pre-position British military equipment in Norway to be better prepared for future crises. We have stood resolutely with Denmark over Greenland, the future of which is for Greenlanders and Danes alone. I welcome the uplift in Danish Arctic defence spending, worth more than £10 billion.

We have also worked closely with the Finnish military, including through NATO's Exercise Dynamic Front, with the British Army conducting its first live firing of our Archer mobile howitzer on Finnish soil—the Army is getting in on the High North joy. We currently have three P-8 Poseidon aircraft carrying out RAF NATO air policing from Keflavik in Iceland—the largest-ever P-8 overseas deployment.

Let me turn to a couple of questions that Members asked. We are working flat out to deliver the DIP. I am sure I do not need to stress to every Member here that it is important to get this hugely important piece of work right before we commit to it. We have ordered five Type 31 frigates, and HMS Venturer should be the first of those to deliver by the end of the decade.

The hon. Member for Strangford (Jim Shannon) asked about Ireland. the Prime Minister is due to meet with the Taoiseach at the bilateral in just a few days' time, and I know that the Secretary of State will call his counterpart and have discussions around some of the points the hon. Gentleman raised.

I thank my hon. Friend the Member for Portsmouth North (Amanda Martin) for her contribution. She has been to Norway; I have never made it there—I have

only been as far as Denmark—but I am sure there is time to rectify that. She is a doughty campaigner for families, and as we say in the military, although personnel join the military, their families serve too. It is within my purview to do everything I can to support families through the very difficult challenges they face when their loved ones deploy. My hon. Friend rightly noted the importance of not only the larger pieces of shiny equipment that we must procure, but simple items such as gloves. Having worn military-issue gloves, I concur. We must make sure that we have a good standard of personal protective kit and equipment.

Real tribute has been paid to the mighty Royal Marines, who have been excellent guardians of our Arctic warfare capability. It is a very difficult operating environment, and I pay tribute to those who operate there on our behalf to keep us safe. The Royal Marines are a fantastic career choice for those considering starting their careers or who might be interested in joining the reserves. Other armed services are available, including the British Army, should anyone be interested.

Politically and environmentally, the Arctic is in flux. While the eyes of the world are currently focused on the middle east, we are clear that there can be no national or global security without security across the Arctic and northern Europe.

Richard Foord: In its negotiations with the United States, Denmark pledged to raise defence spending from 2.4% of GDP last year to 3% of GDP this year and next. Does the Minister think that the example Denmark is setting is a good one for the United Kingdom?

Louise Sandher-Jones: I am very proud of the steps that the Government have taken to raise defence spending, which are very welcome off the back of many years of underspend. In fact, this is my very next line: defence spending will rise to 2.6% in 2027, 3% in the next Parliament and 5% by 2035. Just as important as raising defence and security spending is making sure that we continue to pursue a NATO-first defence policy. We are a Government who are delivering the largest sustained increase in defence spending since the cold war, to keep Britain secure at home and strong abroad.

Liz Saville Roberts: I appreciate that the Minister is talking about defence spend, but in my earlier intervention I raised a point about having a consulate. Many of our European neighbours are ensuring that they have a presence in the area, alongside China and the United States. Surely that would be an effective way of spending Government money at a time when we are looking to spend effectively for the future of the UK's best interests.

Louise Sandher-Jones: I am sure the right hon. Member will understand that consulates are a matter for the Foreign, Commonwealth and Development Office. I will make sure that the FCDO is aware of her comments.

3.33 pm

Alex Ballinger: I am grateful for the excellent contributions from my hon. Friend the Member for Portsmouth North (Amanda Martin), the hon. Member for Strangford (Jim Shannon), the right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts), my hon. Friend the Member for Dunfermline and Dollar

(Graeme Downie), the hon. Member for Surrey Heath (Dr Pinkerton), the hon. Member for Exmouth and Exeter East (David Reed) and, of course, the Minister.

I think this is the first debate I have been in where there has been almost unanimous agreement across the piece about the importance of Arctic security, outrage at the position the Americans took on Greenland, and agreement on the necessary steps we need to take to reinforce the capability of our troops. I am also grateful to have heard the Royal Marines being spoken about so much in this Chamber—we need that to continue.

Question put and agreed to.

Resolved,

That this House has considered Government policy on NATO and the High Arctic.

3.34 pm

Sitting suspended.

Energy Security and Net Zero: Scotland

4 pm

Dr Rupa Huq (in the Chair): I will call Susan Murray to move the motion and then the Minister to respond. I remind other Members that they may make a speech only with the prior permission of Susan Murray and the Minister. Because this is a 30-minute debate, there will not be an opportunity for Susan Murray to make a winding-up speech at the end.

Susan Murray (Mid Dunbartonshire) (LD): I beg to move,

That this House has considered Scotland's contribution to energy security and net zero.

It is a pleasure to serve under your chairship, Dr Huq, and a privilege to lead this debate on a matter that will have such an impact on Scotland's economy, our cost of living and our national security. Let me be clear at the outset that Scotland plays a disproportionate role in keeping the lights on across Great Britain, and it is leading the way in the shift to clean power.

The evidence is clear: the House of Commons Library noted that in 2024, clean power made up 90% of the generation in Scotland. The Department for Energy Security and Net Zero has published figures showing that Scotland produces significantly more energy than it consumes, and that it transferred 17 TWh of excess energy to England in 2024. In terms that we can all understand, that is enough energy to power every home in London for two years.

That production benefits us all—it supports energy security, making us resilient to international events, and helps to decarbonise the grid for everyone—but there is a problem that we cannot ignore: despite that enormous contribution, too often Scots do not see a fair share of the benefits in good jobs, local investment or lower bills. The case that I want to make today is simple: Scotland is delivering, so the UK's policy and delivery machine must now match that pace with fairness, infrastructure and security. The North sea is the place to start.

The Scottish Affairs Committee set out the stark reality: in 2024, oil and gas production reached a 21st-century low—about 75% below the 1999 peak. Decline is not an abstract theory; it is measurable across Scotland. The workforce impact is already significant. The Library notes that there were 121,000 direct and indirect jobs supported by the oil and gas industry in 2023—a 51% fall compared with 2014. If workers leave before the clean energy pipeline reaches its potential, we will lose the skilled labour that is vital to a successful transition.

Harriet Cross (Gordon and Buchan) (Con): I thank the hon. Lady for securing this debate. I completely agree that the oil and gas sector is vital, and that we must secure the workforce in our energy industries, but I would like some clarity on the Liberal Democrats' position. My understanding is that they support Labour's ban on new licences, and that they had a manifesto pledge to backdate the energy profits levy. Is that still the Liberal Democrats' position on the North sea?

Susan Murray: The Liberal Democrats are keen that we move to a source of green energy. We are calling for the energy profits levy to be looked at again, as it was introduced as a windfall tax in particular circumstances, when there were very high profits.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for bringing this debate forward; she is absolutely right to do so. The devolved institutions' contribution to net zero targets are important, and I am pleased to hear of Scotland's success. I look forward to the Minister's response.

Northern Ireland shares the commitment to a net zero future by 2050, but our smaller grid, limited renewable capacity and reliance on imported electricity means that achieving that goal is more challenging. Does the hon. Lady agree that we must make sure no part of the United Kingdom is left behind? I wish her well for Scotland, but all devolved nations must be given the necessary tools to succeed in the green energy transition.

Susan Murray: I absolutely agree. Although I am focusing on Scotland, it is Scotland as part of the UK and not Scotland alone.

We want to make sure that we do not lose the skilled labour that is vital to a successful transition, because we would then have to pay more later to import the labour and expertise that we should have retained to do the work.

I want to be clear about a point that is often overlooked or used by those with a vested interest against renewables: the UK will need oil and gas for the foreseeable future, even as we decarbonise. In that context, and to secure our own energy security, we should meet as much of the demand for hydrocarbons as possible from a secure, well-regulated domestic supply, rather than simply importing more and losing or exporting jobs.

Importing more does not stop consumption; it simply shifts production elsewhere, often to jurisdictions with lower standards and higher geopolitical risk. Domestic supply, properly regulated, can be the safer bridge while we build out our new low-carbon system at scale and ensure security of supply. Will Ministers pull together existing work into a single transition pathway that links North sea decisions to a workforce plan, covering skills mapping, retraining and support where needed?

If we want a managed transition, we also have to be honest about the urgency of the whole-system needs of a clean grid. A net zero system is essential—Scotland shows that it is possible, and it should be the goal—but a renewables-heavy system needs predictable, low-carbon power alongside renewables, storage and interconnection. That is why I support nuclear, and why small modular reactors should be part of the plan to achieve net zero in Scotland.

The SNP Government's position is that they do not support building new nuclear power plants in Scotland under current technologies. Meanwhile, the UK Government have confirmed Wylfa in Wales as the site for the UK's first small modular reactor. The risk is obvious that Scotland will end up hosting more of the infrastructure footprint of the transition but without the benefits, while other parts of the UK will capture more of the firm power investment and the supply chain jobs.

In Scotland, the devolution framework really matters. Nuclear market frameworks and regulations are reserved, while planning and community impacts, along with local skills delivery and many aspects of economic development, are devolved. This cannot work without co-ordination.

Will Ministers request UK-Scottish Government talks on Scotland's nuclear policy, with SMRs explicitly on the agenda, to highlight the positive economic benefit for Scotland, and to push for equal access to jobs and development across the UK? Scotland hosts major clean power generation and transmission infrastructure, but fairness must follow that footprint.

Patricia Ferguson (Glasgow West) (Lab): It is a pleasure to serve under your chairpersonship, Dr Huq. I thank the hon. Member for securing the debate. I intervene in my capacity as Chair of the Scottish Affairs Committee, of which she and many other hon. Members here today are valued members. As she knows, our Committee has been examining this entire topic as part of a large-scale inquiry into energy and a just transition.

One of the areas we have turned our attention to is the question of fairness across the UK as we transition to cleaner energy systems. We have heard evidence from Scotland's community-owned renewable energy sector that they face a significant number of barriers when it comes to connecting their projects to the grid. They also have some unique challenges created by the differences between the grid in Scotland and the grid in England and Wales. Does the hon. Member agree that we must turn our attention to that area if we are going to enable communities to generate their own electricity and power and be the beneficiaries of that?

Susan Murray: I absolutely agree. We have a real opportunity with Great British Energy, in the current environment, to take advantage of what the commercial companies are offering with regard to reducing costs for individual homeowners and to use digital technology to ensure that community energy generated into the grid benefits the communities that host the infrastructure that generates that energy.

Communities see the turbines, substations and pylons; as the grid expands, they see that infrastructure expand, too. They live with disruption during construction and operation, and too often they do not see fair value for the disruption that they face. That means that there is an opportunity here. The Government have already been developing the policy infrastructure. DESNZ published a working paper seeking views on the design of a potential mandatory community benefit scheme and the facilitation of shared ownership for low-carbon energy infrastructure. That is not a small thing; it is a recognition that we cannot build at the pace required without public consent, and public consent is strengthened when communities are well-informed and share in the long-term value.

Mr Angus MacDonald (Inverness, Skye and West Ross-shire) (LD): Do you agree that £9 million in total community benefit for the highlands, and £30 million for Scotland as a whole, is a paltry amount for a multibillion-pound industry?

Dr Rupa Huq (in the Chair): Order. Can I just remind the hon. Member about use of the word "you"? I always get told off by the Deputy Speaker for it. "You" means me, because I am in the Chair. It should be, "Does the hon. Member agree?" But I think we get the point.

Susan Murray: I thank the hon. Member for his intervention, which I absolutely agree with. As I have just said, this is something that needs to be looked at, and there is an opportunity to make sure that communities

all across the UK benefit from the power generation that they have to live with locally every day. Will Ministers commit to introducing a consistent community benefit and community energy framework for major low-carbon infrastructure, so that host communities—especially in rural and off-gas-grid areas—share in any long-term benefits?

Beyond the initial generation of power, we forget about the grid. None of our ambitions on net zero or energy security will be met if we cannot move the power that we generate around the UK. We must fix the grid; we must stop paying to waste clean energy. We have built the infrastructure to generate power faster than we have built the network to connect and transport it. The result is that bill payers are burdened with the cost of electricity that they cannot use and that cannot be brought to them.

The National Energy System Operator's annual balancing costs report sets out the scale of the problem. It reports that grid constraint costs increased by 64% in 2024-25, totalling £1.7 billion. The total energy lost to that failure was 13.5 TWh, which is nearly as much as Scotland sent to England. This is not a theoretical cost; it is money that households and businesses pay because the network cannot always carry the clean power that is available. Will Ministers pledge to accelerate grid development and to drive connections reform at pace and with clear milestones, so that we stop paying for unused electricity and improve resilience, particularly for rural and remote communities?

The grid is not just an infrastructure issue; it is an opportunity to redevelop our industrial heartlands. If Scotland is powering the transition, Scotland should also help to build it. Scotland has a proven history in heavy engineering and industrial delivery, with ports, fabrication, and a supply chain shaped by decades of offshore work. The transition should not become a story of "import the kit, export the jobs".

Graham Leadbitter (Moray West, Nairn and Strathspey) (SNP): The hon. Member has already covered the EPL, but it is important to recognise that Scottish Renewables and Offshore Energies UK wrote jointly to the Secretary of State and the Chancellor of the Exchequer expressing their deep concerns about its impact on the transition. It will not be possible to deliver the renewables transition we all want if the North sea is allowed—or even forced—to decline at the rate it is doing, and not enough effort is put into the renewables side and supporting that transition. Does the hon. Member agree that the Government need to address that rapidly? We need pace of decision making and certainty for investors and developers if we are to ensure that we make that transition effectively, which will provide the jobs for the skilled workforce she rightly referred to.

Susan Murray: I absolutely agree: the vision is there, but we take too long to make decisions. When that happens, our workforce make their own decisions, and businesses do not come that might have considered coming. We have to support the opportunity that is available to us.

We must look seriously at how we encourage companies to build the components of the green revolution here. We have the skills and a history of great steelworks and dockyards. Those can be revitalised, and our communities alongside them.

However, building at home extends further than just good practice: it reduces risk to supply and security. The National Cyber Security Centre publishes dedicated supply chain security principles to help organisations manage supply chain risk. That is the mindset we need for critical national infrastructure, and we have seen why it matters. UK authorities have been looking into reported cyber-security concerns linked to remote-access features in some electric buses imported from China—the same place that much of our green technology comes from. This is not about sensationalising or point scoring: if supplier risks matter for buses, they certainly matter for the systems that keep the lights on and our countries running. Will the Minister use the industrial strategy to set out clear UK content and supply chain commitments, to ensure that demand for grid and energy production components is not only met in a timely manner but protected from foreign interference?

I finish by returning to the household reality, because net zero will not be delivered by megawatts alone; it will be delivered in homes and communities, and it must be made simple, safe and scalable. The Climate Change Committee's progress report found a 56% increase in heat pump installations in 2024, driven by increased support from Government schemes, but it is clear that scaling remains the challenge. Households respond to a simple proposition: reliable installers, clear standards, stable support and aftercare. That too should be treated as part of the mission to build a UK production base. A national retrofit and heat pump supply chain would create skilled work in every community. Will Ministers treat heat pumps and retrofits as part of the same mission, supporting an installer pipeline, quality assurance, consumer protection and an end-to-end journey from advice, to finance, to installation, to aftercare?

Scotland is delivering Britain's energy security and clean power. Now the Government must deliver for Scotland, with fairness, jobs and infrastructure that turn Scotland's contribution into lower bills and better energy security for everyone.

Dr Rupa Huq (in the Chair): I call Minister—and birthday boy—Michael Shanks to respond for the Government.

4.18 pm

The Minister for Energy (Michael Shanks): Thank you, Dr Huq. There is genuinely nothing I would rather do on my birthday than answer an important Westminster Hall debate on this topic. It is a pleasure and a privilege to be here—cake to follow.

I thank the hon. Member for Mid Dunbartonshire (Susan Murray)—that beautiful constituency on the other side of Glasgow from my own—for introducing this important debate, and it is a pleasure to see so many members of the Scottish Affairs Committee to the Chamber. As an alumnus of that Committee in the last Parliament, it is a pleasure to see it continue to go from strength to strength. As a proud Scot, I reflect many of the things the hon. Lady said about the contribution that Scotland has made to Britain's economic past, and the critical role it plays at the moment and will continue to play in the future. I will return to that theme later.

I also want to reflect on the fact that it is the strength of us working together across the United Kingdom that has driven much of the investment into Scotland to

[*Michael Shanks*]

make these projects a reality. I will come back to that point later because I know that the hon. Member for Strangford (Jim Shannon) will appreciate that, if nothing else.

I want to reflect on some general points, and then I will come briefly to each of the points the hon. Member for Mid Dunbartonshire made, because they are all incredibly important and things we are working towards. On the general argument about what the Government are trying to achieve, we are trying to tackle the energy trilemma—the question of security, affordability and sustainability—by driving as quickly as possible towards clean power. Our target—our mission—of achieving clean power by 2030 is partly about how we get off fossil fuels, and the past few days have demonstrated why that is so important in an uncertain world. It is also, as the hon. Lady rightly said, about how we take the industrial opportunity that goes along with that. How do we get the good jobs and industrial opportunity to go with it?

Harriet Cross: Of course, we cannot ignore the events of recent days in the middle east and the impact on oil and gas prices and supply. However, those events make it more obvious why we should be preserving and making the most of the supply and production we have in the North sea. The oil goes into the European market—not through the strait of Hormuz—so it stays accessible, and the gas all comes into our networks in the UK. It is vital that we secure our own production, and the Minister surely recognises that the energy profits levy and the ban on new licences put that at risk.

Michael Shanks: I was going to come on to the North sea later, but let me do that now, because the hon. Lady raises important points. Yes, our domestic supply is important—particularly the gas that goes straight into the pipes around the country—and it creates jobs for thousands of people in the industry, many of whom I have got to know over the past 18 months. However, it is also important to know that it has been in decline for a long time, with a 75% reduction in production between 1999 and 2024. Although it continues to play an important role, we have been a net importer since 2004, and that will only continue in the years ahead. Yes, we should continue to support domestic production, and it will continue to play a part for years to come, but our long-term energy security does not come from fossil fuels in the North sea.

Returning to the points the hon. Member for Mid Dunbartonshire made about the North sea, she asked whether we could pull together a plan for the North sea transition. We did that and published it at the end of last year. The North sea future plan is a fantastic read, and I encourage everyone to read it. It seeks, for the first time, to bring together projections on the future of the North sea, skills and workforce planning, and the opportunity that comes from renewables.

We need to look at both sides of the North sea. It has been hugely important for 60 years, producing oil and gas, and it will continue to be important for decades to come. Equally, we need to build up industries that have been important in recent years but that have not grown as much as we would like, and where we have not seen as

many jobs as we need. So there is a workforce plan. A North sea future board has also been set up; it met for the first time in Aberdeen in January, and it will meet again in the coming weeks. It is about driving forward actions—not talking about the transition, but working through the solid things we now need to do to make it a reality.

I am conscious of time, and I want to pick up on a number of points. On new nuclear, we absolutely see nuclear as a critical component of the clean power plans of the future. It will be the backbone of a clean power system and will deliver energy security in uncertain times. We need to build nuclear faster, which is why we will respond in due course to the Fingleton review on how to improve regulation. As the hon. Member for Mid Dunbartonshire outlined, we have also invested in the first small modular reactors at Wylfa in Wales.

I genuinely hope we will see a change of Government in Scotland in May, to one that will look at the opportunities that come from nuclear. I had the great privilege recently of visiting Torness and meeting workers who have worked there for 20 or 30 years in good, well-paid, highly skilled jobs—jobs that Scotland is currently missing out on because of an ideological block from the SNP, which we have to remove so that we can build the power we need.

Graham Leadbitter: I take the point the Minister makes on nuclear, but the Government have not articulated what they plan to do with nuclear waste. The current projected price for a radiological disposal facility is about £60 billion, and it is marked as red—as unachievable—yet the Government say it is critical. It has not been articulated how any of that will be paid for, how much will come off bill payers in Scotland and why Scotland needs that when we produce more energy than we currently use.

Michael Shanks: That is a well-trodden argument that, unfortunately, the facts do not bear out. The energy produced in Scotland is more than it uses, but at any given time Scotland often relies on nuclear energy; in fact, it is quite often imported from England when necessary—when the wind is not blowing and the sun is not shining. Nuclear is critical, and Scotland was relying on gas from Peterhead power station recently because Torness was undergoing renovation work. Scotland does in fact rely on nuclear, and it is important. Furthermore, the argument about costs would be well placed in the SNP's own plan on this issue, which says that there would be a third off energy bills with independence. There are absolutely no figures to back that up.

Let me move on in the time I have left to the key points that have been made. First, it is absolutely right to centre the future of the country's economy and of the clean power that we need to get to households and businesses on improving the grid. For far too long, we have not invested in what is probably one of the most important pieces of infrastructure that this country has. As a result, it is taking far too long to connect projects. As the hon. Lady for Mid Dunbartonshire rightly outlined, every single minute of the day we are wasting clean power, which could be bringing down bills, because we cannot get it through the necessary constraints. We have to build that grid, and with that will come tens of thousands of jobs across the country, so it is a hugely important economic opportunity.

I was glad my hon. Friend the Member for Glasgow West (Patricia Ferguson) referenced the importance of community energy and of the local power plan, which was published recently—another fantastic read that I encourage all hon. Members to read. This is about the biggest transfer of wealth and power in the energy space in British history, putting communities right at the heart not just of building energy infrastructure, but owning that infrastructure and benefiting from it. Tomorrow I am going to the Western Isles to see a project that has benefited greatly from being able to own that energy and take the profits that come with it.

Community benefits remain important as well. We did consult on making them mandatory, and we will announce the outcomes of that consultation soon. We have announced bill discounts for people in the proximity of transmission infrastructure and community benefits from that. We also want to see much more shared ownership of energy, with communities having the ability to take a stake in much bigger projects and take the profits that come with that to invest in their local areas. That is hugely important.

Consenting decisions on these projects are devolved in Scotland, and I urge the Scottish Government to move as quickly as possible on making those decisions. Every delay to a piece of grid in Scotland means we are not getting cheaper power on to people's bills, which could make a huge difference now. Those delays are significant, so I urge them to make that happen.

Finally on the grid, the industry is working collectively to make sure that the billions of pounds of investment going into building the grid results in supply chain jobs across the country.

There were many other things that the hon. Member for Mid Dunbartonshire raised that I would love to spend longer talking about. However, at the outset she made absolutely the right point about Scotland's contribution to the UK's energy security. It is not a story of the past or a promise of the future, but a reality at the moment. We have to seize the opportunities that come from the energy transition. That means creating the jobs that go along with the infrastructure we are building, so that Scotland benefits and gets that economic potential.

I am glad there is some consensus on many of the actions we have to take in this space, but the question is how we move further and faster to make this happen. Communities cannot wait for those community benefits or for cheaper power, and we should always root this issue in the Government's No. 1 priority: tackling the affordability crisis facing households across the country. The clean power mission is the way to do that. In an increasingly uncertain world—not least the one we see on our TV screens right now—the answer is to move further and faster away from fossil fuels and to the cheaper, cleaner power that is an economic opportunity for Scotland and the whole country.

Question put and agreed to.

Healthcare in Rural Areas

4.30 pm

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

That this House has considered healthcare in rural areas.

It is a pleasure to serve under your chairship, Dr Huq. I hope that this debate can be a constructive discussion of the particular challenges that rural communities face in accessing healthcare. In that spirit, I will open the debate by saying some things that I hope no one will find controversial.

Rural communities are bigger and further apart than urban ones and have fewer people in a wider area, which makes the delivery of basic services much harder than in major conurbations. The time and money lost to travel is higher because the distance between places is larger, and it is more challenging to recruit and retain staff in public services such as healthcare. Accessing online support—often seen as a silver bullet for the future of healthcare—can be challenging in rural areas where high-quality broadband and mobile signal have not yet arrived. All that means that securing equal access to healthcare in rural areas as in urban areas is more challenging and expensive, which has practical implications. In the Health Secretary's constituency of Ilford North, there are 20 main GP surgeries. In my constituency of Mid Bedfordshire, there are just nine. The age of the village doctor is gone.

When my constituents heard of the plans for a neighbourhood health service, with a neighbourhood health centre, within the Government's 10-year health plan, there was some optimism that that age might return, even if not necessarily in the same way as before. In principle, neighbourhood health centres are absolutely the right step. They are a way to empower people to get the healthcare that they need on their doorstep and to keep them out of hospitals, which could then focus on those who need the most specialised care.

Sarah Gibson (Chippenham) (LD): Does the hon. Member agree that rural communities, such as mine and his, and villages such as Lyneham, which is famous for its serious airbase and is full of veterans, now find themselves with poor GP surgeries and no future for that? People in those villages are waiting longer and longer to get that care and feel completely left behind, as they have no access to any form of health service.

Blake Stephenson: I know Lyneham quite well; it is a beautiful part of the world—although of course, Mid Bedfordshire is far more beautiful. I have to agree with the hon. Lady. The situation is deeply concerning for those in rural communities who are struggling to access GPs, and, given the growth and development in our communities, access is becoming much more difficult as the years roll on.

Jess Brown-Fuller (Chichester) (LD): The hon. Gentleman is making a valid point about development. In the rural village of Bosham in my constituency, a resident was recently told that they would have to wait four months for a GP appointment. Meanwhile, they have seen plans come online for the development of 300 homes behind the GP surgery, and the surgery is

[*Jess Brown-Fuller*]

now expecting 600 new patients. Does the hon. Gentleman agree that we need to have an infrastructure-first principle, because the reason that residents get so frustrated with development is that they cannot see those extra GP appointments coming online once those homes have been built?

Blake Stephenson: The hon. Lady front-runs entirely a point I will make later, and I thank her for doing so.

Unfortunately, that early optimism about neighbourhood healthcare was somewhat tempered by a response I received to a written question, indicating that the Government expect neighbourhoods to have a geography of around 50,000 people. I am afraid that that will do nothing for people in Mid Bedfordshire. It will mean either that rural communities on the edge of urban catchments will be split up and served by “neighbourhood” health hubs in nearby major settlements, which will likely be Hitchin, Bedford, Luton or Milton Keynes, or that one rural “neighbourhood” will cover the vast majority of rural communities, meaning that constituents will have to travel to a central location to access the services that they need. In either case, that is what already happens now.

People in rural communities can only get to healthcare services in big towns that are often a distance away. They deserve better than to be viewed as the hinterland of larger urban areas. They deserve a neighbourhood health service designed not as a one-size-fits-all solution, but as genuinely local to their needs. I appreciate that funding is not unlimited and that tough choices need to be made, but those tough choices always seem to result in rural communities losing out when it comes to access to healthcare.

Aphra Brandreth (Chester South and Eddisbury) (Con): My hon. Friend is making an excellent speech. Does he agree that allocating NHS resources on a strictly per head basis disadvantages rural communities, particularly when nearly a quarter of rural residents are over the age of 65 and the rural population is ageing faster than in urban areas? Will he join me in encouraging the Minister to commit to reviewing the funding formula to reflect age profile, travel times and sparsity?

Blake Stephenson: Absolutely. I do join my hon Friend in asking the Minister to respond to that specific point in summing up. I know many MPs who represent rural communities have concerns about the fairer funding formula. In fact, it is not fair, particularly for rural communities. It would be helpful if the Minister were to reflect on that in his speech.

I would like the Minister to give serious consideration to amending the Government’s plans on neighbourhoods. Neighbourhoods in urban communities can likely afford to be larger. The relative impact of that in many urban communities will be minimal. However, in rural areas, we need neighbourhoods in the region of 10,000 not 50,000, so that people living in small rural towns such as Flitwick and Ampthill in my constituency do not have to leave their towns to access “neighbourhood health services” and so that people living in villages large and small only have to travel to the next village over and not to a big town many miles away.

My concern over the Government’s plans for healthcare in rural areas does not end there. In Bedfordshire, we have recently seen our integrated care board—initially serving Milton Keynes, Luton, Bedford and central Bedfordshire—absorbed into a huge conglomerate ICB covering Hertfordshire, Bedfordshire, Cambridgeshire, Peterborough and Milton Keynes. That is an area of around 3.5 million people. It is hard to see that the new ICB will be able to give the level of attention to people in our rural communities that they need and deserve.

In Wixams, a new town being built in my constituency, a GP surgery has long been promised. It was promised when shovels first went into the ground in 2007, and it has been promised ever since, but the empty field remains, waiting for a building and some doctors. Wixams now has roughly 5,000 residents, and it made up about 0.4% of the population of the previous ICB area. It needs its promised GP surgery, but residents have found it incredibly difficult to get action from the ICB. Under the Government’s new ICB arrangements, Wixams’ residents represent just 0.1% of the ICB’s population. It seems obvious to me that an already small but growing community that needs healthcare services will find that this centralisation of leadership structures will make it even harder for them to get the healthcare they need.

To give credit where credit is due, the new ICB leadership have been very responsive to my representations on Wixams. After nearly two decades of delay, it feels like we are finally making some progress, together with the Mayor of Bedford and the hard work and commitment of local councillors Graeme Coombes, Marc Frost and Andrea Spice—all of whom I thank for their hard work. However, the point remains the same: when the area covered by ICBs is made bigger, the influence of our smaller rural communities and their healthcare needs becomes smaller.

What the Government are doing in Bedfordshire is in no way an isolated incident. I understand that the 42 ICBs that existed before will be reduced to just 26 super-ICBs once the Government’s process finishes. That means thousands of rural communities across England will have less control over their local healthcare overnight, and it was confirmed almost in the same breath as the Government’s plans to bring healthcare closer to communities. That is particularly short-sighted when put against the Government’s plans for mayors. The Government have previously spoken of their desire to line up the boundaries of mayoral areas and integrated boards. Even as part of the 10-year health plan, they stated that their aim is that:

“integrated care boards should be coterminous with strategic authorities wherever feasibly possible.”

What a fantastic idea. Doing so would give proper political accountability to integrated care boards. It would mean that the rural village has a proper elected voice at the table when decisions about the future of healthcare are being made, and a representative that they could hold accountable at the ballot box if their local healthcare needs were left wanting. That is exactly what rural communities need to ensure they get the healthcare they deserve.

The proposals, like so many others, seem to have been put back on the shelf and watered down. Now ICBs will be coterminous with lots of strategic authorities. In Bedfordshire, we are to be forced to have a mayor covering Bedford, Luton, Milton Keynes and central

Bedfordshire. Our new ICB would therefore be covered by three mayors, including a mayor for Hertfordshire and a mayor for Cambridgeshire and Peterborough. That dilutes the political pressure our mayor can bring and the impact that rural Bedfordshire communities covered by that mayor can reasonably have.

If the Government change course back to the sensible idea of having an ICB and a strategic authority be coterminous, that will have been a whole lot of money wasted in two needless restructurings that could have gone into more doctors and nurses. It makes absolutely no sense—we need more doctors and nurses. In Bedfordshire, in the decade since 2016, we now have 18% more patients per fully qualified GP. That reflects the reality that in that same decade, our rural communities have been targeted for more and more development—a point made by the hon. Member for Chichester (Jess Brown-Fuller).

In central Bedfordshire alone, more than 20,000 houses have been built in that period, with many more in Luton, Milton Keynes and Bedford, including significant build-out in Wixams, as I mentioned earlier. There is barely a village in Mid Bedfordshire that has not been expanded significantly over the past decade. We expect to see many thousands more built in the coming years, including potential new towns at Tempsford and expansions east of Milton Keynes.

The old argument for healthcare with development no longer works. The argument would go, “Build a large development or new settlement. Give up a bit of what makes your rural community special, and in return you’ll get the new GP surgery or healthcare hub. You’ll get the infrastructure your community needs”. That just does not happen anymore. Now we get the houses, but the field where the GP surgery was promised remains empty, just as it has for two decades in Wixams.

The same argument has been made for the Government’s flagship new towns: build a big new town from scratch and it will come with the right infrastructure. However, the Department of Health and Social Care has not been able to confirm to me that additional funding will be provided for GP surgeries, and there does not appear to be future funding provided from the Treasury. That leaves open the prospect that GP surgeries in new towns will be funded at the expense of new GP surgeries in areas such as Wixams and other rural communities across the country, which have been waiting far too long. I would be grateful if the Minister could assure me on that point specifically.

The overall point is clear: where rural communities see development, they need infrastructure to cope with it. That is common sense; it is simple, and it is what our constituents want to see. They need to see that infrastructure arrive before the houses are occupied, and not for the burden on overstretched existing infrastructure to be relieved at some indeterminate point in the future.

It has been proposed a few times in this Session, but I fundamentally believe something must be done to allow councils and ICBs to benefit from developer contributions from the day that planning permission is granted, not as development is happening. That could be achieved by something as simple as the Government providing funding up front and reclaiming it from the developer via section 106.

This is one of the biggest issues facing my residents. When the wait to see a GP soars because of a new housing estate next door, nobody wins. I know this is not confined solely to rural areas, but it is in rural areas where existing infrastructure is strained to capacity, and where a good proportion of the Government’s 1.5 million homes are expected to be built.

I will bring my remarks to a close, and I look forward to hearing the views of others in this debate. There are particular challenges for rural communities in accessing healthcare. For too long the approach has been to centralise care in larger and larger towns, and in doing so take it away from villages and small towns. The Government’s move to centralise local healthcare decision making over much bigger areas risks leaving rural residents further behind.

The planned shift to a neighbourhood health service is welcome, but it must be a truly neighbourhood-based service. While a neighbourhood of 50,000 people might make sense in our big towns and cities, it risks leaving our rural small towns and villages out in the cold, served only as a bit on the edge of a larger urban area. Equally, as services move more and more online, consideration must be given to the challenges in rural communities that cannot get good broadband or wi-fi, for reasons beyond their control. Finally, we must ensure that development in rural areas comes with the local healthcare infrastructure that we know communities need. For too long, that has not happened, and communities such as mine in Mid Bedfordshire have paid the price.

Several hon. Members *rose*—

Dr Rupa Huq (in the Chair): This is a popular debate, so there will be a time limit of three minutes to begin with, but it might drop down. The first exemplar of perfect timing will be Samantha Niblett.

4.45 pm

Samantha Niblett (South Derbyshire) (Lab): Thank you, Dr Huq—it is a pleasure to serve under your chairship. I am really grateful to the hon. Member for Mid Bedfordshire (Blake Stephenson)—I will call him my hon. Friend; we were in the armed forces parliamentary scheme together—for the opportunity to speak in this important debate on healthcare in rural areas.

In my constituency, we are proud of our strong sense of community, but too many of my constituents face growing barriers when it comes to accessing healthcare. For many residents, the first challenge is distance: GP surgeries are fewer and farther between, community hospitals have been hollowed out, and public transport is limited or unreliable. When appointments are moved online or centralised miles away, what is described as efficiency can feel more like exclusion, and older residents, carers and those without access to a car are too often left struggling.

Rural practices find it harder to attract and retain GPs, nurses and allied health professionals. Smaller patient lists and higher operating costs make practices less financially viable, placing additional strain on already overstretched staff. The result is longer waiting times, fewer appointments and growing frustration for patients who simply want timely care close to home.

[Samantha Niblett]

Those pressures are compounded by wider inequalities. Rural communities tend to have older populations and higher levels of chronic illness, yet funding formulas do not always reflect the true cost of delivering care across a large, sparsely populated area. It is also worth mentioning that South Derbyshire has a high number of falls, which accounts for a large proportion of emergency hospital admissions for people over 65, and has other negative consequences such as impacting people's confidence and their sense of independence. Mental health services are also particularly patchy, leaving many people waiting far too long for support, if they can access it at all.

Tracey Thorneloe, one of my constituents in South Derbyshire, experiences debilitating pelvic girdle pain as part of a chronic health condition. While pelvic girdle pain is normally experienced during pregnancy or childbirth, she began experiencing this pain six years ago and has had great difficulty accessing physio. There are no specialist physios for her condition in South Derbyshire, and access to hydrotherapy is very limited.

Wheelchair provision is also an ongoing issue in my constituency. My constituent Amanda Storer has told me of her year-long battle to get a wheelchair for her son Derrick, who has Down's syndrome. A wheelchair allows him to be more independent and allows Amanda to get out and about more as he grows. We have helped her as much as we can, but we have been struggling too.

All that does not have to be the case; with the right investment and planning, rural healthcare can thrive. We need fairer funding that properly reflects rural need, stronger incentives to recruit and retain healthcare professionals in rural areas, and a renewed commitment to community-based services. Digital healthcare has a role to play, but it must complement, rather than replace, face-to-face provision.

4.48 pm

Charlotte Cane (Ely and East Cambridgeshire) (LD): It is a pleasure to serve under your chairship, Dr Huq. I congratulate the hon. Member for Mid Bedfordshire (Blake Stephenson) on securing this important debate.

The delivery of quality rural healthcare has been neglected for too long. After years of chronic underfunding, and a pandemic from which many areas have not fully recovered, health outcomes in rural areas are on a dangerous downturn. In my own constituency, local populations are growing fast, while GPs and hospitals struggle under the strain. Dental provision in Cambridgeshire is particularly poor, with more than 2,300 people for every single dentist providing NHS services.

The picture is particularly bad among children; recent data showed that at least 45% of children have not seen a dentist in the past two years. That is simply not good enough. We know how important it is for children in particular to see a dentist: good oral hygiene has a strong link to heart health, as infections and inflammation can increase the risk of cardiovascular diseases. It is vital that all children have ready access to a dentist to prevent such debilitating conditions and to introduce important hygiene practices.

Delivering rural healthcare is not simply about hiring GPs, dentists and other healthcare professionals; it is about delivering access, with reliable transport and connectivity infrastructure that is integrated with local

healthcare. In rural areas like mine, many rely on cars for travel, but many older and vulnerable residents are left to manage with public transport, which is too often unreliable and does not always take them where they need to go. A constituent might be referred to a GP in a neighbouring village that is only a short distance away, but entirely inaccessible by foot and served by perhaps only a few buses a day, or in some cases no buses at all. The Government and local ICBs must start using such real-terms information when assessing access to healthcare, to avoid rural communities being left even further behind.

I am encouraged that new technologies allow at-home testing and monitoring, which can prevent the need for regular access to GPs and hospitals, but many of my constituents face connectivity barriers as a result of poor broadband and poor mobile reception. Does the Minister agree that the Government must bring forward a strategy to end the neglect of rural healthcare, with new services for left-behind areas and a comprehensive approach to rural connectivity?

4.51 pm

Lizzi Collinge (Morecambe and Lunesdale) (Lab): It is a pleasure to serve under your chairship, Dr Huq. I thank the hon. Member for Mid Bedfordshire (Blake Stephenson) for securing this important debate.

I represent a semi-urban, semi-coastal, semi-rural constituency, and I know that delivering healthcare across a wide and dispersed population brings very real and practical challenges. I want to speak briefly about three things: hospital trust funding, staff recruitment and transport.

Unfortunately, our funding formulas do not fully recognise the additional costs of providing services over a larger geographical area. Major cities can rely on one large hospital with everything in one place, covering a range of specialities. My local trust serves a similar population size, but it goes from the south of Lancaster all the way to Barrow, around the beautiful Morecambe bay. It is not safe or practical for one hospital to try to do the whole job, yet the funding arrangements do not fully recognise those costs and tend to treat them as inefficiency, rather than as an inherent part of delivering over that geography.

Although funding rightly takes into account deprivation, deprivation can look different in different areas of the country. In my constituency, we have a mix of wealthy and low-income households in the same larger geographical area, and that often determines the funding. Pockets of deprivation get diluted and sometimes miss out on vital funding pots or targeted interventions that would really help. At the same time, my population is older, with higher rates of dementia, which is caused not only by ageing, but by poor cardiovascular health and inequalities.

Hospitals in coastal and rural areas often have persistent issues with staff retention. Professional development opportunities are often focused on the big cities, so services such as major trauma, where people need to go to do their training, are more likely to be there.

For patients living in rural areas, the cost of and lack of access to transport place huge burdens on their time and finances. I do a lot of work with Lancaster Bus Users' Group and Sedbergh and District Public Transport Users. We all know the challenges facing rural bus services. One of my constituents was waiting in A&E with her

sick child, but they had to leave the hospital before they were seen, because they simply could not afford a nighttime taxi journey.

Progress has been made; I really welcome the 10-year health plan, particularly the shift from hospital community care, which will ensure people are seen closer to home. However, I urge the Minister to consider the points I have made today about recognising the true scale of the real and unavoidable costs of serving dispersed rural communities.

4.54 pm

Katie Lam (Weald of Kent) (Con): It is a pleasure to serve with you in the Chair, Dr Huq. I thank my hon. Friend the Member for Mid Bedfordshire (Blake Stephenson) for securing this debate on such an important topic.

Any Member who represents a rural constituency can attest to the practical challenges that our healthcare system faces in the countryside. It can often be difficult to sustain genuinely local GP services, and that forces people to travel long distances to access care. Where services do exist, they are often unable to provide the full suite of care owing to resource shortages or manpower deficiencies. Hospitals, of course, are even further away.

The current make-up of the workforce and workload cannot meet those challenges, so I was heartened by this Government's plans, introduced earlier this year, to prioritise British medical graduates over foreign-trained doctors, though there is still much work to be done on ensuring that our medical training system rewards our most talented graduates.

I have also been heartened by some of the Health Secretary's rhetoric on Pharmacy First, and the need to reduce the workload on doctors, so that the public can access basic services without contributing to the NHS waiting list. It is a superb initiative, and was launched by my right hon. Friend the Member for Louth and Horncastle (Victoria Atkins) under the previous Conservative Government. Clearly we need to move the healthcare service towards a model that reduces the workload on doctors, trains more of our workforce here and rewards our best-performing practitioners. That would be better for doctors and patients alike, and would be particularly welcomed in rural areas, where it is often much more practical to have a pharmacy in a village than a full GP surgery.

In principle, the Health Secretary's public statements on this issue represent a step in the right direction, but since coming to power, this Government have conceded to medical unions such as the British Medical Association, which takes an altogether different line. For example, on Pharmacy First, a scheme that allows people to be treated for simple conditions at their local pharmacy, the BMA said that patients are

"being seen by less-skilled people to further enable the steady downgrade of patient expectations".

It has since retracted those comments, but that the sentiment exists within the BMA at all is deeply troubling. On physician associates—a group of healthcare professionals who can carry out certain assessments and tests to reduce the workload of doctors—the BMA has launched legal action over whether they can even be called "medical professionals". Fortunately, it lost the case, but again, its overwhelming hostility towards the reforms that our healthcare system needs in rural areas is concerning.

Enabling local health services such as pharmacies to provide care is particularly important in the countryside, where it will never be possible to sustain a large hospital in a rural area. I very much welcome the Government's rhetorical direction on Pharmacy First and on reforming the NHS workforce, but will the Minister tell us what this Government intend to do to face down groups such as the BMA, which stand in the way of the reforms that we need to provide high-quality care to the British public?

Several hon. Members rose—

Dr Rupa Huq (in the Chair): Order. Potentially the final three-minute speech will be Henry Tufnell, and then we might have to drop the time limit to two minutes.

4.56 pm

Henry Tufnell (Mid and South Pembrokeshire) (Lab): It is a pleasure to serve under your chairmanship, Dr Huq. I thank the hon. Member for Mid Bedfordshire (Blake Stephenson) for securing the debate. I am unique in this debate in the sense that I am a Welsh MP, and Wales faces unique challenges in respect of cross-border healthcare. Like many other hon. Members' constituencies, Pembrokeshire is at a disadvantage because of its rurality. We have a fantastically beautiful coastline and beautiful countryside, but we are disadvantaged in terms of accessing these essential services.

I have conducted a constituency-wide survey, in which 85% of respondents said they found it difficult to secure a GP appointment, and 88% did not have access to NHS dentistry. Time and again, the problem is the distance to essential treatment. They are being required regularly to travel out of county. The recent downgrading of our local hospital in Pembrokeshire by the Hywel Dda University Health Board was a catastrophe for local residents, who are forced to travel further and further afield.

When residents are forced to travel across the border, there are often difficulties in transferring medical records, with real-world implications for my constituents. One constituent, who has been diagnosed with cancer, faces the choice of travelling to Bath or paying thousands of pounds to get treatment privately closer to home. The therapy they need is widely available in England but is not offered anywhere in Wales. Similarly, one constituent was referred to a hospital several hours away, in Bath, for specialist treatment for an autoimmune condition, requiring that individual, who is in their 80s or 90s, to undertake extensive travel and round trips.

I could go on with the examples, but suffice it to say that, while the record settlement that has been put forward by the UK Labour Government to our colleagues in Cardiff Bay is incredibly welcome and much needed, it does not get at the root of the problem of delivering healthcare right across the board. My constituents continue to live with poor access to healthcare.

I therefore ask the Minister to commit to exploring how to ensure better communications and transfer of patient records between practices in England and Wales. Does he agree that the UK Government must work with the Welsh Government to ensure that rural communities, such as mine in Pembrokeshire, do not continue to suffer the consequences of a postcode lottery for healthcare?

Several hon. Members *rose*—

Dr Rupa Huq (in the Chair): We have done the maths; we can allow Members two minutes and 30 seconds.

4.59 pm

Dr Roz Savage (South Cotswolds) (LD): It is a pleasure to serve under your chairship, Dr Huq. I thank the hon. Member for Mid Bedfordshire (Blake Stephenson) for introducing the debate and doing such a great job of painting a picture of the bigger systemic issues—as I do not have very long, I will not repeat those, but will focus instead on two specific issues that I face in my constituency. It is only fair to let the Minister know that I will ask him for a meeting at the end of the debate, because I feel I have just about exhausted all other possible avenues.

Those two examples of the system failing rural constituencies affect Cirencester community hospital and the Tolsey GP surgery in Sherston. Cirencester hospital offers vital community services to a wide rural catchment, but over recent years the hospital has seen a gradual reduction in services. It lost its minor injuries unit in 2016; blood services were removed in 2020, and the day surgical unit is now undergoing a trial closure—I am very concerned that these trial closures have a nasty habit of becoming permanent. Residents are very concerned because they have seen that pattern before.

I do not quite understand how that fits with the NHS 10-year plan, which emphasises care closer to home, when patients will potentially now have to travel considerable distances. By definition, people who need hospitals tend to be elderly, sick or parents of small children, and I do not need to repeat yet again how poor our rural public transport is. There is a great deal of public passion about this. Our petition has gathered getting on for 2,000 signatures in just a matter of days. As new housing developments arrive, the increased population of Cirencester will only increase the demand for services at that hospital.

The second example is Sherston surgery. A developer has offered to build a lovely new custom-built facility to replace the existing one, the lease for which expires at the end of the year. I have lost count of how many meetings I have had with the ICB, which has acknowledged that its toolkit is not well suited to rural areas, yet it still has not agreed to that offer. I am out of time, but I look forward to meeting the Minister in due course.

5.2 pm

Amanda Hack (North West Leicestershire) (Lab): It is a pleasure to serve under your chairship, Dr Huq. I thank the hon. Member for Mid Bedfordshire (Blake Stephenson) for giving us the opportunity to talk about how living in a rural area can impact our access to healthcare.

As time is short, I will focus on two things. When I became an MP, one of the first things I was contacted about was the experience of getting a service on a Sunday. A resident of Ashby was given an appointment at an out-of-hours service in Leicester city. The taxi just one way cost about 40 quid. That is just one example of how the rural penalty is creating real problems in healthcare.

I am glad to see the Minister in his place, because I want to focus specifically on pharmacy and that is his area of responsibility. I have met many of my local pharmacists over the time that I have been a Member of

Parliament. Our community pharmacies are often our lifelines, yet access to them is not equal, and certainly not simple, for many of my constituents.

North West Leicestershire is not just a semi-rural constituency, but a proud post-industrial one with a strong coalmining past. However, that means that we have our own unique health issues, particularly respiratory ones. For example, 8% of my constituents are living with asthma—higher than the average for the east midlands and the whole of England. Many residents rely on regular inhalers, medication reviews and preventive advice delivered via their local pharmacy, which is a vital service.

If the local pharmacy is facing a shortage, or a rural pharmacy does not open as frequently, that can have detrimental impacts. In a city, people can pop along the road to the next nearest pharmacy. Castle Donington, which has the highest rate of asthma in my constituency, has just one pharmacy. It does an amazing job for my constituents, but the next nearest pharmacy is more than 5 miles away. With 62% of our bus services cut under the previous Government, it is not easy to just hop on the bus to the nearest town. The isolation of our pharmacies has a detrimental impact in a rural area, because there is simply nowhere else to go.

When patients cannot access their medicines promptly, their conditions can worsen. They will turn to a GP for urgent appointments or to their nearest A&E. Pharmacy provision can provide us with an invaluable capacity for our entire healthcare system, the rural services of which have been hit the hardest.

5.4 pm

Rachel Gilmour (Tiverton and Minehead) (LD): It is a pleasure to serve under your chairmanship, Dr Huq. I thank the hon. Member for Mid Bedfordshire (Blake Stephenson), my colleague on the Public Accounts Committee, for securing this debate. Many hon. Members have today outlined problems in their constituencies that, I am afraid, are all too familiar in mine. I represent a disproportionately elderly population, which brings with it great wisdom as well as greater health challenges, particularly given that parts of my constituency are some of the least densely populated in England.

Shabby transport connectivity hobbles every aspect of my constituents' lives. Perhaps no more acutely is this reality felt than in access—or the lack of access—to healthcare. For people in the West Somerset corner of my constituency, it can take two hours and two buses to reach Musgrove Park hospital in Taunton. I am told that a return fare would cost my constituents an eye-watering £180 in a taxi, which is simply unaffordable to most local people. These barriers delay diagnoses and treatment.

I am thankful to the Minister for Care for being a responsive member of his Government, but I cannot hide my disappointment at the decision to snub Minehead's calls for a permanent CT scanner installation. The decision was supposedly reached because such a move was deemed uneconomical. It proved to be a game changer for so many local people, but it is indeed uneconomical because terrible transport links suppress demand.

To conclude, remoteness has not been given the weighting it should in the Government's local government funding settlement. I implore the Government—and I hope the Minister takes this away—to undertake a real, forensic

look at just how important rurality and remoteness is as a factor for the cost of healthcare delivery in rural areas.

5.7 pm

Jim Shannon (Strangford) (DUP): It is a real pleasure to serve under your chairship, Dr Huq. I want to give a special thank you to the hon. Member for Mid Bedfordshire (Blake Stephenson) for securing today's debate on this matter. It is important that I am here, as a representative of a vastly rural constituency, to highlight the situation faced by my constituents.

I have been fortunate to live in the country all my life; I have now lived on a farm for some 47 years, just outside a small village in my constituency of Strangford on the Ards peninsula. Healthcare is a nationwide issue that impacts every individual, and we want to get it right. Rural populations often live far from hospitals or specialist clinics, making timely care more difficult. The limited public transport and long travel distances can cause delays, especially in emergencies, for the likes of ambulances and so on.

Around one in 10 patients live more than 5 miles from a practice, showing the extensive travel required for a 10-minute GP appointment, in which only one issue can ever be addressed. There are those in my constituency who find it almost impossible to get appointments, and GPs now state that they can take appointments only in the case of emergencies, when we all know that is the purpose of A&Es. GPs are for general issues that may impact someone's day-to-day life, and there are not enough of them to go round. Everybody has mentioned development, and there is massive development on the Ards peninsula. Every village has grown, and demand is greater than ever it was before.

I shall quickly mention dentists in Northern Ireland. Some 114 dentists in Northern Ireland have handed back their NHS contracts to the Department of Health and Social Care, with many moving to private practice. Those patients then move on to a £25 a month retainer. As a result of these contract returns, more than 53,000 NHS patients were removed from dental practice lists over that period. For a rural constituency, that means there is no choice but to pay in the private sector.

There are continuing issues regarding GP provision and dental care across Northern Ireland, especially in my constituency. The issue is heightened in rural areas, and I will continue to raise these issues for those who have trouble. I understand that health is devolved, but the issue across the board remains the same. I hope we can strive to do better for my constituents and all our constituents, as well as for rural constituencies in general. Location should never dictate the provision of healthcare, be it someone's GP or dentist, both of which every citizen of this nation has a right to.

5.9 pm

Richard Foord (Honiton and Sidmouth) (LD): It is a pleasure to serve with you in the Chair, Dr Huq. I am grateful to the hon. Member for Mid Bedfordshire (Blake Stephenson) for securing this debate and for talking about the one-size-fits-all solution, which I completely recognise. He is right to say that neighbourhood health hubs need to apply to proper neighbourhoods—things that we would identify with. In rural areas we would identify with towns of 10,000, not 50,000.

There are unique challenges associated with rural healthcare, and all too often it feels like those challenges are invisible from Westminster and Whitehall. Rural and coastal areas are not the same as urban areas. Last month, the Government said that tackling the gap between urban and rural healthcare would be a core focus of their 10-year health plan. That was very welcome, but after years of neglect by the Conservatives, it feels like rural communities, including those in Devon, are increasingly cut off from GPs, ambulances and cancer treatment, and the decline continues.

The south-west already has the fewest GP practices of any region. It also experienced the largest percentage fall in the number of GP practices—2% of practices in the south-west closed between 2024 and 2025. The data for rural healthcare compares poorly with urban areas. Liberal Democrat research found that waiting times for life-threatening ambulance calls are 45% longer in rural areas. Waits of four weeks or more for cancer diagnoses are three times longer in rural areas.

My hon. Friend the Member for Ely and East Cambridgeshire (Charlotte Cane) talked about accessibility in rural areas, and she is quite right to do so. Just getting to the GP takes longer—a third longer by car and twice as long by public transport. That disparity is set to rise if we continue to see bus routes curtailed and rail infrastructure left to crumble.

Honiton and Sidmouth, which I represent, sits in the bottom quarter of constituencies in the country for access to healthcare by public transport, walking or cycling. For those outside the main towns, the situation is worse. The village of Stockland, for example, is in the bottom 0.2% nationally for transport access to healthcare. The hon. Member for Strangford (Jim Shannon) talked about accessibility issues in transport. He is quite right, but that is only part of the challenge.

Rural areas also have older populations, which places a greater strain on already stretched services. My hon. Friend the Member for Tiverton and Minehead (Rachel Gilmour) was spot on about how older populations place so much greater a strain on health services in rural areas. Poor digital connectivity means that the shift to online healthcare and digital access often excludes older residents, many of whom have no desire to acquaint themselves with digital devices. They also suffer from isolation and loneliness, shaped by distance and limited local services.

One example that I think illustrates this issue well is dementia in rural areas. In Honiton and Sidmouth 1.6% of patients have been diagnosed with dementia, whereas the national average is just half that—0.8% across England as a whole. My constituent Heather Penwarden is the chair of Dementia Friendly Honiton. She says that dementia care in Devon

“seems at an all-time low”.

She should know that, because she has been volunteering in this space for 16 years. One carer, through tears, asked Heather:

“How bad does it have to be before I get some genuinely helpful and sustained support in looking after my dear husband through his dementia?”

Heather's group initially worked alongside community psychiatric nurses from the Devon partnership NHS trust. Dementia Friendly Honiton raised an incredible

[Richard Foord]

£350,000 to pay for an Admiral nurse through an embedded scheme. That nurse attended memory cafés, gave regular advice and prevented crises for those with complex cases, but due to a freeze on NHS recruitment and an apparently “outdated” model of fundraising and hosting, there is little chance of the role being filled again by the Royal Devon University hospital.

The Liberal Democrats are calling for a rescue plan: recruiting more GPs and social care workers to provide proactive community support and ease pressure on ambulances, acute hospitals and A&E; creating a national care agency to provide consistent funding for free personal care; and creating a small surgeries fund to protect rural and remote services from underfunding. If we are serious about closing the disparity between urban and rural, we must recognise that rural communities have different health needs.

5.14 pm

Gregory Stafford (Farnham and Bordon) (Con): It is a pleasure to serve under your chairmanship, Dr Huq. I am extraordinarily grateful to my hon. Friend the Member for Mid Bedfordshire (Blake Stephenson), who has campaigned tirelessly for a GP surgery in Wixams in his constituency. I was delighted to hear that his campaigning is beginning to bear fruit, and I wish him well with that.

The challenge that my hon. Friend mentioned resonates strongly in my own constituency. There has been significant housing growth in areas such as Bordon, yet the supporting infrastructure, particularly primary care, has simply not kept pace. Residents move into new homes only to discover that securing a GP appointment is harder than it should be.

Hon. Members across the House have made a consistent and compelling case this afternoon. Rapid housing growth places a real strain on local practices, and patients then struggle to access timely appointments. Infrastructure funding is too often misaligned with development, and co-ordination between local authorities, NHS bodies and developers remains insufficient. Healthcare must arrive with the new homes, not years afterwards.

The Government’s 10-year plan puts having care closer to home at the centre of NHS reform. That ambition is entirely welcome, but as hon. Members have raised, the national neighbourhood health implementation programme begins with pilots in 43 areas, and each designated neighbourhood must serve a population of around 50,000 people. That population threshold presents a fundamental challenge for rural and semi-rural areas, where individual villages and market towns fall well below that figure. Although larger geographical regions might technically meet the requirement, genuinely rural communities cannot qualify as stand-alone neighbourhoods and are therefore excluded from the first phase—and potentially always.

If the 50,000 population threshold is rigidly applied, smaller communities will only ever be served indirectly, folded into large neighbourhoods covering multiple dispersed settlements. That risks diluting the focus on their particular needs, and residents might continue to face long travel times, limited access to primary care

and fewer co-ordinated services, as hon. Members have described. That is especially concerning given the demographic trends.

Healthwatch England highlighted in 2023 that the NHS long-term workforce plan projects a 55% increase in the number of people aged over 85 living in rural areas by 2037. Demand is rising most sharply in precisely those areas excluded from the pilot phase. In areas like mine, where hospital access already involves significant travel, the case for strong, well-resourced local primary and community care is self-evident. Excluding rural and semi-rural constituencies from the first wave risks entrenching disparities rather than reducing them.

I also have concerns about cuts and mergers in ICBs. The institutional knowledge and expertise built over many years risk being disrupted during the transition. For example, the Frimley integrated care board, which serves the northern part of my constituency, is being abolished, so the local leadership and co-ordination that previously existed will be lost and responsibilities will be redistributed. Change on such a scale requires clarity of governance, funding and accountability. Without it, delivery will vary and confidence will suffer.

Access to primary care, pharmacy and dentistry remains central to this debate, particularly in rural and underserved communities. Since 2024, more than 200 pharmacies have closed in England. In the first three months of 2025 alone, 31 medium-sized and 24 large pharmacy branches closed. For villages and small towns, the local pharmacy is not a luxury; it is a frontline health service. Although schemes such as the pharmacy access scheme and Pharmacy First are supported and welcome, there are significant problems with their roll-out, as highlighted by my hon. Friend the Member for Weald of Kent (Katie Lam), with unions like the BMA trying to undermine that very significant investment.

I have a number of questions for the Minister. For rural and semi-rural constituencies such as mine, the details of the policy matter enormously. First, will the 50,000 population threshold be applied flexibly in rural and semi-rural areas? If so, how will smaller communities be guaranteed equal access to neighbourhood services? Secondly, what is the timetable for expanding the scheme beyond the initial 43 pilot areas? When can constituencies such as mine and that of my hon. Friend the Member for Mid Bedfordshire expect to be included?

Thirdly, how will the continuity of neighbourhood health delivery be safeguarded during the merger and abolition of ICBs, and who will ultimately be held accountable for that if implementation falters? Finally, will the Minister publish clear and measurable criteria for success, particularly in relation to rural access, travel times and coverage of elderly populations so that the House can judge whether care closer to home is being delivered in practice and is not merely a promise?

5.19 pm

The Minister for Care (Stephen Kinnock): It is a pleasure to serve under your chairship, Dr Huq. I congratulate the hon. Member for Mid Bedfordshire (Blake Stephenson) on securing this vital debate. I am also grateful to other hon. Members for making excellent contributions this afternoon.

We know that the NHS faces pressures all over the country, with rural communities experiencing unique health and wellbeing challenges shaped by geography,

demography, infrastructure and access to services. Our 10-year health plan is a commitment to rewire our NHS, with the three shifts to improve access to healthcare for everyone—no matter where you live or how much you earn. Those three shifts—from hospital to community, sickness to prevention and analogue to digital—will support neighbourhood and community health services in getting the investment they need, and will greatly expand and improve access to digital services, bringing healthcare closer to everyone's home.

The hon. Member focused quite a lot of his speech on our emerging neighbourhood health strategy. I will provide some further detail in response to some of his points. He highlighted the important differences between urban and rural. We recognise that neighbourhood services will need to look different across rural and urban areas to best meet the needs of each community. That is why their delivery will be locally led, with local systems determining how neighbourhood health is designed for their area. That work will start in the areas of greatest need, including rural towns and villages.

The hon. Member and others also asked about the definition of neighbourhoods in rural areas. First, neighbourhoods are natural communities that are recognisable by local residents. Secondly, neighbourhoods will typically have a population of around 50,000 people, but coherent geography is more important for defining neighbourhoods than population size. Thirdly, the geography of the neighbourhood will be determined locally by integrated care boards in partnership with their strategic partners, particularly local authorities.

The hon. Member also asked how rural areas will benefit from neighbourhood health. Neighbourhood health provides the unifying framework that will bring together what is already under way across primary care, community services, urgent care, prevention, digital, estates and population health more broadly. The neighbourhood health service will make it easier for people to access care closer to where they live, including in neighbourhood health centres. Delivery will be locally led, with systems determining how neighbourhood health is designed to meet local population need. That will factor in how services may need to look different across rural and urban areas.

The neighbourhood health service will also move us towards a fully digitally enabled health service. We are striving for digital services to improve access, experiences and outcomes for the widest range of people based on their preferences, as any digital healthcare benefit will be limited if people remain digitally excluded. We are working closely with the Department for Science, Innovation and Technology on the issues raised around improving access to broadband.

To deliver neighbourhood health services, the 10-year health plan introduces two new contracts, including one to create multi-neighbourhood providers covering populations of around 250,000 people. That will unlock the advantages and efficiencies possible from greater-scale working across all GP practices and small neighbourhood providers within the footprint. We will start in the areas of greatest need where healthy life expectancy is lowest, which includes rural towns. By targeting places where healthy life expectancy is lowest, we will deliver healthcare closer to home for those who need it most. Neighbourhood health plans will also be drawn up by local government, the NHS and its partners. The integrated care board

will bring those together into a population health improvement plan for its footprint and will use that to inform commissioning decisions.

The medium-term planning framework, covering 2026-27 to 2028-29, sets out proposals for the further use of advice and guidance, asking systems to ensure all referrals go through a single point of access. That delivers a robust approach to triage so that patients are cared for closer to home, and there are fewer out-patient appointments in secondary care. That framework will also require a significant reduction in the number of clinically unnecessary follow-ups.

Turning to general practice, which came up a lot in the debate, we absolutely recognise the challenges facing rural communities in accessing GP services. We are expanding capacity across England, including to the areas that need it most. We are investing over £480 million extra into GP services this year, including investment in the primary care workforce, ensuring places like Mid Bedfordshire get the resources and GPs that they need.

Since October 2024, we have invested £160 million into the additional roles reimbursement scheme, which has supported the recruitment of over 2,000 GPs—smashing our manifesto pledge of 1,000 additional GPs. Furthermore, the introduction of a practice-level GP reimbursement scheme, worth £292 million, will enable practices to hire additional GPs or fund extra sessions with existing GPs. We are also seeing the results of those broad efforts. I am absolutely delighted that patient satisfaction has risen by over 15% since July 2024, from 60% to 75%, and an additional 6.8 million GP appointments have been delivered compared with the same period last year.

We know that patients are struggling to access NHS dentistry services, particularly in rural areas. To address that, we are reforming the dental contract to match resources to need and to improve access. As a first step, our 2026 reforms are focused on improving the dental contract to deliver the right care to the right people, including those in rural areas, while incentivising NHS dentists to provide more NHS care, with additional urgent appointments and new pathways for patients with complex needs. We are also continuing to recruit dentists under the golden hello scheme, which offers dentists £20,000 to work in underserved areas.

Urgent and emergency care is also a challenge for rural areas. We are ensuring that the country gets the care it needs, when it needs it. We launched our urgent and emergency care plan for 2025-26, supported by a substantial £450 million of capital investment. That will enable the upgrade of hundreds of ambulances and the expansion of urgent and emergency care capacity, reducing A&E wait times and getting more ambulances back on the road, more quickly.

Rural adult social care services are really important. Local authorities are responsible for shaping their care markets to meet the diverse needs of local people. However, the Government are also committed to ensuring adult social care funding reflects the costs that different communities face, which is why we have updated the formula used to distribute funding for adult social care to local authorities to include a remoteness adjustment. That means that the funding distribution better reflects the cost of providing care in different parts of the country. To give the local picture in the constituency of the hon. Member for Mid Bedfordshire, between 2025-26

[Stephen Kinnock]

and 2028-29, central Bedfordshire is set to see its notional allocation for adult social care services increase by £11.3 million, which is more than a 7% cash increase above budgeted adult social care spend.

I want to say a quick word on finance. To support remote or sparsely populated areas, the ICB target allocations formula includes an emergency ambulance cost adjustment to reflect longer travel times in sparsely populated areas; a travel time adjustment to the community services formula to reflect the additional time it takes patients to travel between appointments in sparsely populated areas; and an adjustment to support hospitals with 24-hour A&E services that are remote from the wider hospital network and have unavoidably higher costs. Those adjustments help to support rural communities in accessing the health services that they need.

I hope that I have managed to touch on some of the issues raised. It is a wide-ranging topic because rural healthcare, by definition, requires many different services. We absolutely recognise the challenges, and we recognise that we still have a mountain to climb before we can get our NHS back on its feet and fit for the future.

We believe that through the three shifts—from hospital to community, treatment to prevention and analogue to digital—and the strategies that we are pushing through

on workforce, digital, better support for general practice, and neighbourhood health, we can get our NHS back on its feet and fit for the future. Once again, I thank all hon. Members present and I congratulate the hon. Member for Mid Bedfordshire on securing this debate.

Dr Rupa Huq (in the Chair): I call Blake Stephenson to wind up in 20 seconds.

5.29 pm

Blake Stephenson: I shall speed through, Dr Huq. I thank the Minister for summing up and covering an awful lot of ground—I am certainly grateful for that. He gave a lot of additional information, so I am sure he will forgive me if I go back to *Hansard* to look through it and follow up with a letter if anything is unclear. It has been a wide-ranging debate and there was a lot to cover. I thank all hon. Members for standing up for their communities, putting rural communities on the Government's agenda and making sure that they get the healthcare services they deserve.

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statement

Wednesday 4 March 2026

HEALTH AND SOCIAL CARE

National Institute for Health and Care Research: Capital Investment for Research

The Parliamentary Under-Secretary of State for Health and Social Care (Dr Zubir Ahmed): Today I am pleased to announce that DHSC, through the National Institute for Health and Care Research, is awarding £47.8 million to fund equipment that will help the NHS to deliver high-quality commercial research. This investment includes funding from the voluntary branded medicines pricing, access and growth investment programme.

This funding is being awarded to 51 NHS trusts and 79 primary care organisations across England to pay for cutting-edge equipment, building refurbishments and modular buildings essential for delivering research within the NHS and primary care settings. This investment will allow the NHS to expand its capacity for commercial clinical trials, helping patients access new medicines through research and strengthening the UK's reputation as a global leader for delivering world-class clinical trials.

In this 2025 award, eligibility was expanded beyond NHS trusts to include primary care organisations, ensuring that providers across the NHS are equipped to deliver commercial research.

Funding has been allocated to organisations across England, from Cornwall to Cumbria, with the majority of awards going to organisations outside the greater south-east. The deployment of mobile research vans in

Leicestershire, Essex and Norfolk will enhance access to research for patients in underserved areas. Refurbishment of existing, underutilised spaces in primary care organisation across Devon, South Yorkshire and the east midlands will improve clinical research capacity in the community. These investments support the NHS 10-year health plan's goals of shifting care from hospitals into communities and improving equitable access to the latest health and care innovations, through research.

The awards will address current barriers to delivering commercial clinical trials, including limited access to equipment, support services such as imaging and pharmacies, and space constraints. Funding is being awarded for specialty pharmacy facilities, including in Norwich, Plymouth and London will enable the delivery of innovative treatments.

There is also funding for cutting-edge equipment and technology. Leeds teaching hospitals NHS trust was successful in its application for equipment to deliver non-invasive ultrasound-based therapy to destroy tumours without surgery or radiation. Oxford health NHS foundation trust is receiving funding for imaging and diagnostic equipment for sleep, dementia and depression research. Primary care organisations in Dunstable, Wigan, and Birmingham were successful in their applications for essential monitoring equipment to support research in respiratory diseases. Funding for this specialist equipment enables development of novel treatments through innovative research and supports the UK's position as an attractive place for innovative companies to invest in research.

While the equipment and increased capacity for clinical trials funded by this award is primarily for commercial research, when not in use in this way, equipment such as ultrasound and MRI scanners may be used for routine clinical care and to help cut waiting lists. This will ensure there is enhanced capacity in our NHS to perform more procedures and diagnostic tests, speeding up treatment times and ensuring the benefit from this funding award is felt across the board.

[HCWS1377]

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Wednesday 11 March 2026**

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