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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**
(HANSARD)

Wednesday 1 July 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 1 July 2026

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

SCIENCE, INNOVATION AND TECHNOLOGY

The Secretary of State was asked—

Ofcom: Crisis Response Protocol

1. **Helen Maguire** (Epsom and Ewell) (LD): What discussions she has had with Ofcom on the potential merits of updating the crisis response protocol measures to include a uniform set of standards. [900732]

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Kanishka Narayan): Keeping people safe online at moments of real danger is a top priority for this Government. That is why we have asked Ofcom to expedite its work on updates to its codes of practice under the Online Safety Act 2023. All services face strict duties to deal with illegal content. Of course, it is right that platforms with a greater risk of viral content spreading must do even more to prepare for and manage periods of heightened risk.

Helen Maguire: The limits in the Online Safety Act only cover misinformation that meets the threshold for illegal content. The riots in Epsom and Ewell highlighted a need for a clear crisis protocol, because false information was viewed over 2 million times and it was trending on X two days after that information had been clarified by the police. Will the Minister commit to directing Ofcom to establish a single set of mandatory crisis response standards for platforms so that we have clear accountability and rapid action following such incidents?

Kanishka Narayan: Do we want tougher accountability? Absolutely. That is why the codes published mean stronger review mechanisms, a direct line to law enforcement and a clear crisis playbook required of risky platforms. Do we want it to be faster? Absolutely. That is exactly why we have asked Ofcom to expedite those codes in particular. On whether we take a risk-based or uniform approach, it is right that we focus our resources, in law enforcement and regulatory action, on those that are the greatest risk. We will continue to review that.

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

Dame Chi Onwurah (Newcastle upon Tyne Central and West) (Lab): It is almost exactly a year since my Select Committee published its report on “Social media, misinformation and harmful algorithms” in the wake of the Southport riots. It was truly distressing and disturbing to see misinformation playing such a role in the Belfast

riots, and my thoughts are with all those affected. Will the Minister confirm what conversations he has had with Ofcom about misinformation being included in its crisis response protocol, as recommended by my Committee?

Kanishka Narayan: May I, as ever, thank the Chair of the Select Committee for such a depth of expertise and experience, and in particular for the report that she mentioned, which has formed the basis of a lot of our thinking? There are clear things that we have done in our engagement with Ofcom, such as ensuring we empower users, not least through the commitments made in the “Protecting What Matters” social cohesion strategy, which will follow up on a number of recommendations that the hon. Lady talked about, including empowering users of algorithms. Misinformation is very much under consideration, and I have spoken to Ofcom about categories of harm as part of the crisis playbooks. We will continue to review that.

Online Safety: Children

2. **Becky Gittins** (Clwyd East) (Lab): What steps she is taking to keep children safe online. [900733]

3. **John Grady** (Glasgow East) (Lab): What steps she is taking to keep children safe online. [900734]

The Secretary of State for Science, Innovation and Technology (Liz Kendall): Last month, I announced a defining moment for children and families, banning social media companies from providing their services to under-16s, banning livestreaming and stranger communication for under-16s on services, including gaming, and making Britain the first country in the world to ban sexualised chatbots for under-18s. This Government, and I personally, will continue to take all the measures necessary to keep children safe online.

Becky Gittins: During the Government’s consultation on online safety, I met students from Ysgol Maes Garmon in my constituency to hear about their lived experience online. They raised concerns about harmful online content, addictive algorithms and the impact of a lack of scrolling limits. Will the Secretary of State assure me that the voices of our young people are heard in any decisions about how to keep them safe online?

Liz Kendall: I pay tribute to the work that my hon. Friend has done on these issues. Young people’s voices have been, and will continue to be, heard. We had 14,000 children and young people respond to our consultation and they raised issues such as the ones mentioned by my hon. Friend. We want to give children the best possible start in life. There are further measures that I hope to announce, including on breaks in infinite scrolling, and I look forward to making a further statement to the House.

John Grady: People across Glasgow East welcome the proposed ban on social media for under-16s. I thank the Secretary of State and the Minister for AI and Online Safety for their excellent work, which means that young people across Glasgow and Scotland will be much safer. However, kids will get round the ban and young people aged 16 and over also need to be protected—in fact, we all do. May I encourage the Secretary of State to pursue with utter conviction further regulation to

crack down on misinformation, secure the clear labelling of AI-generated content and ensure transparency of algorithms?

Liz Kendall: I welcome my hon. Friend's urging. We do indeed intend to look at further measures about this. As I have said, including to the Chair of the Select Committee, I will look once again at the challenges around misinformation and disinformation; this summer we will be consulting on the very issue of digital replicas and launching a taskforce on labelling AI content. That is part of the work we are doing around the creative sector, but it is also about tackling misinformation and disinformation and protecting our children and our democratic process.

Simon Hoare (North Dorset) (Con): Parents, teachers and young people across North Dorset welcomed the Secretary of State's announcement last month, as do I. This is clearly a fast-moving area of communication. Will the Secretary of State assure the House that this will be an iterative and evolutionary process, with Government deploying the resources so that we are well placed to meet new challenges and our young people are safe and protected?

Liz Kendall: As always, the hon. Gentleman makes an important point, which is that this is not a "one and done", as I said in my statement last week. It cannot be, because technology is changing so fast. I have looked seriously at the fact that the Online Safety Act 2023 took eight years from initial idea to implementation, and that is not good enough. We have taken powers in the Children's Wellbeing and Schools Act 2026 to address features and functions, which I think will help, but I am sure there is much more we can do. I have said that this is not a one and done, and I will always be willing to look at further measures.

Freddie van Mierlo (Henley and Thame) (LD): The makers of the Louis Theroux documentary "Inside the Manosphere" showed the all-party parliamentary group on fatherhood, which I chair, that within 15 minutes of looking at YouTube, young boys could be shown misogynistic content when they are simply trying to search for gym content. Will the Secretary of State confirm that the ban on social media will include platforms that do not require an account, so that children can be protected from that as well?

Liz Kendall: I saw the documentary and absolutely agree how concerning it is. I bet that many men, even some in this Chamber, will have been fed this vile stuff just because they are a man. We are looking at a whole range of measures. We are also looking at the issues of advertising and money, which are relevant to the hon. Gentleman's question as they are driving a lot of this. The Minister for Digital Government and Data, my right hon. Friend the Member for Edinburgh South (Ian Murray), who is a joint Minister in the Department for Culture, Media and Sport, is chairing a taskforce looking specifically at that matter, but I always like to see further recommendations, so the hon. Member for Henley and Thame (Freddie van Mierlo) should send them in.

Mr Speaker: I call the shadow Minister.

Dr Ben Spencer (Runnymede and Weybridge) (Con): This might be the last time this Department for Science, Innovation and Technology ministerial team get the chance to face us at the Dispatch Box, so on behalf of our team I wish them well over the next few weeks as the Government go through their hard reset. Has the Secretary of State spoken to the virtual Prime Minister, the right hon. Member for Makerfield (Andy Burnham), and told him of the work under way to deliver the essential safeguards to restrict social media for under-16s following the successful campaign by parents, families and the Conservative Opposition, led by the Leader of the Opposition? Or is it that, as when we pull the plug on a computer, any unsaved progress will be lost?

Liz Kendall: Of course I have talked to my right hon. Friend the Member for Makerfield, because I am focusing on doing my job, which is to do the right thing for children and families in this country. I hope the hon. Member for Runnymede and Weybridge (Dr Spencer) gets a good rest over the summer holidays too, and maybe works up some slightly more challenging questions.

Mr Speaker: I call the Liberal Democrat spokesperson.

Victoria Collins (Harpden and Berkhamsted) (LD): This might be the last time we face this ministerial team, but I hope that they will stay, because I know they have done a lot of hard work on online safety. With that in mind, I have recently spoken to students in Harpenden and Berkhamsted, who passionately shared their fears and hopes around AI chatbots. With the Labour leadership transition putting any major announcements on hold, what guarantees can the Secretary of State give that, alongside the support of the right hon. Member for Makerfield—the Prime Minister in waiting—there will be an announcement in July about AI online safety, and vital protections will not be sidelined?

Liz Kendall: I share the concerns of the good people of the hon. Member's constituency about AI chatbots. I will come back with a further statement to the House about the things I said in my last statement, not only looking at further steps on AI chatbots—we have banned sexualised companion chatbots and the features within general chatbots that allow that to happen—but on overnight curfews, brakes on infinite scrolling and various other things. I will make the fullest possible update to the House on those measures, as I said I would.

Social Media: Dangerous Content

4. **Richard Quigley** (Isle of Wight West) (Lab): What steps she is taking to help remove dangerous content from social media platforms. [900735]

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Kanishka Narayan): This Government have led the world in tackling dangerous content online, including in law with illegal content duties that platforms must comply with, with our full backing for Ofcom's enforcement of them, and by strengthening the law, with cyber-flashing, intimate image abuse and self-harm content all deemed priority offences needing to be proactively tackled, as well as political conviction in the face of non-compliance. When Grok nudified images, this Government stood up, called it out and won by being on the side of British families, not tech platforms.

Richard Quigley: I warmly welcome the Government's plans to ban social media for under-16s. However, when it comes to content promoting eating disorders, the risks do not simply disappear at 16. The eating disorder charity, Beat, recently pushed ChatGPT to stop generating restrictive meal plans altogether, which it did, so it is possible. Other platforms, however, have failed to act, with X still allowing users to search for harmful hashtags, such as #proana and #bonespo—I apologise if that is triggering. Will the Minister work with me and the eating disorders all-party parliamentary group to ensure that platforms such as X can no longer exploit mental ill health for engagement and profit?

Kanishka Narayan: I first thank my hon. Friend for championing an incredibly important cause. Content promoting eating disorders is horrific, and I have to be clear that not just at the age of 16, but under the Online Safety Act 2023, platforms must already prevent children under the age of 18 from accessing content about eating disorders or self-harm. Indeed, it is now a primary priority content offence, requiring a higher bar still to be discharged by those platforms. I will of course, as ever, be delighted to work with him and the eating disorders APPG on his further proposals.

Zöe Franklin (Guildford) (LD): I thank the Secretary of State and the ministerial team for their positive engagement with me and colleagues across the House who have been working with bereaved families and the Molly Rose Foundation on the devastating impact of suicide forums. On the new crisis response protocol, my understanding is that it is primarily designed for large-scale public safety events. Can the Secretary of State advise on whether Ofcom will consider rapid response arrangements being expanded to cover cases where compelling evidence shows that content presents a risk for suicide, so that platforms are expected to act with the same urgency to protect individual lives?

Kanishka Narayan: I first pay tribute to the families that I have met who have raised the issue of suicide forums, which the hon. Member rightly raises. I have committed to them in the past that we will continue to press for quicker remedies for them when they suffer the worst tragedies imaginable. The Secretary of State and I will, of course, be delighted to look at whether there are ways we can make that a more systematic, rapid response.

Astronomy and Space Science: Funding

5. **Olly Glover (Didcot and Wantage) (LD):** What steps her Department is taking to maintain levels of funding for astronomy and space science. [900736]

The Minister for Digital Government and Data (Ian Murray): I draw the House's attention to my entry in the Register of Members' Financial Interests. I am proud that this Labour Government have committed a record £86 billion towards R&D, including on astronomy, space science and others, to supercharge innovation. Within that, UK Research and Innovation's Science and Technology Facilities Council—the main funder of particle physics, astronomy and nuclear physics—has a stable budget with increasing investment in research areas that lead to and underpin discovery.

Olly Glover: I thank the Minister for his answer. My Oxfordshire constituency is home to Harwell campus, the UK's largest concentration of space and science organisations. Despite what the Minister said about the budget, the need for £162 million of savings by 2030 that was imposed on the Science and Technology Facilities Council risks jobs and critical research equipment, undermining our global science leadership. Does the Minister share those concerns, and what steps will he take to protect scientific jobs and facilities?

Ian Murray: I pay tribute to the hon. Gentleman and everyone at the Harwell campus, which hosts over £1 billion of world-leading research infrastructure. A lot of concerns have been raised by the physics community about this issue. I can confirm that funding for STFC has not been cut. UKRI has decided that STFC's core budget should be maintained over the spending review period. Of course, we understand the cost pressures through inflation, foreign exchange and the ambitious commitments that were made from the previous spending review. No final decisions are being made, but STFC is working through that with the community.

Graham Stringer (Blackley and Middleton South) (Lab): Particle physics and astronomy have had a rough deal since the Particle Physics and Astronomy Research Council—PPARC—was abolished about 19 years ago. I understand that the justification being put out by the Science Minister and other Ministers is that there has been a change to mission-driven research as opposed to fundamental blue-skies research. This is a mistake: most practical applications of science have come from scientists asking fundamental questions that had no relevance at the time. Does the Minister agree that the policy is a mistake?

Ian Murray: I do not agree with my hon. Friend about the policy. We are putting £86 billion into research and development, including astronomy and space science, including a record £38 billion for UK Research and Innovation. Of that, £14.5 billion is for curiosity-driven research because we know that there is no route to stronger growth in this country than through significant investment in science, innovation and tech.

Women in Tech Taskforce

6. **Johanna Baxter (Paisley and Renfrewshire South) (Lab):** What assessment her Department has made of the potential impact of the women in tech taskforce on levels of diversity in the technology sector. [900737]

The Secretary of State for Science, Innovation and Technology (Liz Kendall): Our economy loses around £3.5 billion a year because women leave the tech sector or change jobs due to barriers that should not exist. That is bad for women and for the tech sector because it loses out on their skills, talent and experience. It is why our women in tech taskforce is addressing the systematic barriers that prevent women from entering, progressing and leading this vital sector.

Johanna Baxter: Evidence suggests that AI tools used in recruitment often favour male names almost five times more than female names, and AI models built to prevent liver disease are twice as likely to miss the disease in women. Does my right hon. Friend agree that unless we have women shaping this technology, it will continue

not to deliver for women? Can she outline Government plans to address those biases while encouraging more women in Paisley and Renfrewshire South to join the sector?

Liz Kendall: My hon. Friend is right that the bias in technology highlights why we need more women building it. We want more women in tech and more tech that works for women. That is exactly why we launched the women in tech taskforce. We will publish the results of its call for evidence next week. We have had a fantastic response, but we are not waiting to take action: we are launching a new tech first girls programme for 12 and 13 year olds, to help advance women's careers by giving them minimum six-month placements, and we are putting our own house in order by ensuring Government Departments, such as the Ministry of Justice and the Home Office, help software developers return to work after 18 months.

Jim Shannon (Strangford) (DUP): I thank the Minister for her answer to the question put forward by the hon. Member for Paisley and Renfrewshire South (Johanna Baxter). Some companies are already setting aside a number of places—a quota—for ladies for the jobs they hope to introduce women to. Does the Minister think that it is time to set a quota for companies? We recognise some of the good work that companies do, but a quota for places for ladies might persuade many companies to go the extra mile.

Liz Kendall: I think the most effective way to get change is to show the results that have been achieved by the women who produce the brilliant science and technology that helps to create innovations and bring in the cash. Women founders of tech companies get only 2p in every £1 in venture capital funding, yet on average they present 35% higher returns. If companies want better science and tech and a better economy, they had better get more women on board.

Topical Questions

T1. [900747] **Helen Morgan** (North Shropshire) (LD): If she will make a statement on her departmental responsibilities.

The Secretary of State for Science, Innovation and Technology (Liz Kendall): I am proud that today I am launching our charter for women in research, setting out minimum standards for maternity pay and leave for women doing PhDs in this country, alongside leave for their partners, adoption leave, leave for baby loss and pregnancy-related sickness. More than 64 organisations have already signed up. This is crucial for women, for the quality of science and tech and for our country, because Britain succeeds only when we make the most of all our talents.

Helen Morgan: At the all-party parliamentary group on digital communities, which I chair, we often hear from mobile network operators that one reason they do not serve rural areas properly is that they cannot get planning permission. In Shropshire, the council has given planning permission to a passive infrastructure provider for three specific sites but it still cannot get the mobile network operators to put their equipment on their masts. What can the Secretary of State do to ensure mobile network operators give my constituents the coverage that they are paying for?

Liz Kendall: I know that the hon. Lady is really concerned to ensure that her constituents have proper network coverage. We encourage mobile network operators to use existing infrastructure where they can, but I am more than happy to arrange a meeting with my right hon. Friend the Minister for Digital Government and Data to get the progress that the people of North Shropshire need and deserve.

T5. [900751] **Rachael Maskell** (York Central) (Lab/Co-op): The broadcasting, entertainment and arts unions all-party parliamentary group heard deeply concerning evidence from writers, journalists, musicians and performers that their work is being scraped, ripped off and stolen by sophisticated AI models for training purposes. When will the Secretary of State introduce laws to protect the creative industries? Will she meet with the APPG and unions to discuss this matter further?

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Kanishka Narayan): I thank my hon. Friend for raising that critical question for Britain's creative sector. Just yesterday, on British IP Day, I met with the Alliance for Intellectual Property, including artists, authors, publishers, journalists and media organisations, to talk about how our work on digital replicas and transparency will be critical to supporting the creative sector. I would be delighted to meet my hon. Friend and the APPG.

Mr Speaker: I call the shadow Secretary of State.

Julia Lopez (Hornchurch and Upminster) (Con): Professor Brian Cox is among the eminent scientists warning about the impact of Government cuts to research on advanced physics and astronomy—a move that he calls “inexplicable”. Meanwhile, the Government are spending millions on projects examining climate coloniality, decolonising justice and transforming LGBTIQ+ asylum policies. Are those the Secretary of State's research priorities too? If not, has she made that crystal clear to UK Research and Innovation?

Liz Kendall: I am sorry to put the hon. Lady straight, but we are not cutting money for that. We are actually putting in the biggest funding for research and development ever in this country—something of which I am especially proud. We are protecting curiosity-led research and ensuring that we focus on the key priorities of this country, because we know there is no route to stronger growth or better answers and innovations without science and technology at its core.

Julia Lopez: I think the Secretary of State just said that the eminent professors are wrong.

Aside from research spend, one of the core reasons for the budgetary pressures in physics is the ruinous cost of energy under Labour. It is ideology in research spend, and it is ideology in energy policy. In March, the Secretary of State said we need to sort out the problems facing physics funding as soon as possible; it is now July. Has she lobbied the Energy Secretary to stop him driving up the core costs of our critical scientific research institutions?

Liz Kendall: I say gently to the hon. Lady that we are dealing with the mess we inherited from Conservative Members by ensuring that this country can rely on

clean, renewable, home-grown energy right here in Britain. That is why we are driving the technological revolution in AI in our AI growth zones in Wales through three small modular nuclear reactors. It is also why this country has had more venture capital funding in our AI start-ups just this year than the whole of the rest of Europe. We are driving forward change to ensure that this country can succeed.

T6. [900752] **Jack Abbott** (Ipswich) (Lab/Co-op): I recently visited Northgate high school in Ipswich with the Children's Commissioner. As ever, the pupils were thoughtful and articulate about what they needed for the future, but the subject of digital and AI came up a lot. They said that they need greater access to public services and skilling up for future employment. Will the Minister outline what the Government are doing to ensure that pupils can access those public services as well as the important digital and AI skills that they desperately need?

The Parliamentary Under-Secretary of State for Science, Innovation and Technology (Mr James Frith): This Government are boosting digital and AI skills by embedding media literacy across all key stages, including by introducing an AI-inclusive computing GCSE and a £20 million early careers jobs alliance. We will ensure that digital inclusion is fundamental as the Government work to develop digital access to public services through digital ID. These measures will support children and all people to access public services when they need them; they will be personalised, joined up and involve less faff.

T2. [900748] **Mr Gagan Mohindra** (South West Hertfordshire) (Con): Good luck, England! May I welcome the Government's commitment to introducing a social media ban for under-16s, following repeated calls from Conservative Members? Will the Secretary of State outline what steps the Government will take to ensure that the enforcement of such a ban is robust enough to prevent children from bypassing it through the use of mechanisms such as virtual private networks, which expose young people to additional risks?

Liz Kendall: The hon. Gentleman makes an important point—we know children will try to get around the ban, and will succeed. Our measures are as much about resetting the cultural and social norms for future generations, but we will have more highly effective age verification measures to make this work. We are looking at the issue of VPNs in particular, and I will come back to the House with more on that issue very soon.

Mr Speaker: Before we come to Prime Minister's questions, I extend a warm welcome to the Speaker of the House of Representatives of Trinidad and Tobago and his delegation, who are in the Gallery today.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [900790] **Dr Al Pinkerton** (Surrey Heath) (LD): If he will list his official engagements for Wednesday 1 July.

The Prime Minister (Keir Starmer): Our thoughts, and I am sure the thoughts of the whole House, are with the people of Venezuela—the scenes of destruction are simply harrowing. We have committed humanitarian funding and deployed expert search and rescue teams, and I can announce today that we will match public donations up to £2 million on aid.

In an increasingly dangerous and volatile world, our defence investment plan commits more to investment in our armed forces. It delivers the modern kit and capabilities our personnel need to keep us safe, meaning we buy British to create jobs here at home and strengthen our international leadership.

Sunday marks the 78th birthday of the NHS, and I am pleased that under this Government, waiting lists are down, A&E waits are shorter, and we have the shortest cancer diagnosis times on record. I also welcome the agreement reached with the resident doctors to end the strikes, so that our full focus can be on delivering further improvements for patients.

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.

Dr Pinkerton: I associate myself with the Prime Minister's condolences and his birthday good wishes to the NHS.

Everyone in my constituency of Surrey Heath wants a new Frimley Park hospital, but the chosen site—the last remaining fragment of the ancient Frimley common—is wholly inappropriate. It is inaccessible, behind multiple schools, and environmentally devastating. Worse, over recent weeks, I have received deeply troubling evidence that the preferred relocation site was known and being openly discussed by local political figures in 2023, before the official site selection process had even begun. The entirely reasonable conclusion is that this project has been compromised from the outset and the site predetermined. I think the Prime Minister would agree that this is no way to begin a multibillion-pound public procurement process, so will he please step in, commission an urgent independent review—

Mr Speaker: Order. I think the Prime Minister has got the question.

The Prime Minister: The hon. Gentleman's NHS trust has identified its preferred site for the new Frimley Park hospital, and detailed technical work can now start. Let us be frank about this hospital. The Tories promised 40 new hospitals with no funding and no delivery plan, and we have had to fix that. Thanks to Labour investment, the hon. Gentleman's hospital is at the front of the queue. It will be one of the first in the country to be rebuilt, but his approach has been, on the one hand, to demand a new hospital, and then to oppose actually building it. He has urged his constituents to oppose it because, to quote him,

“if this hospital goes ahead, there will be no golf course.”

Labour is building new hospitals, and the hon. Gentleman is standing up for golf courses. I cannot think of anything more Lib Dem.

Q2. [900791] **Rachel Hopkins** (Luton South and South Bedfordshire) (Lab): A good, safe and secure home is the foundation of everything, and access to a council home at social rent continues to be the biggest issue that

my constituents get in touch with me about. However, under this Labour Government in 2024-25, councils delivered the highest annual number of social and affordable homes since 1991-92. Does the Prime Minister agree that we must build on this achievement and accelerate progress on council house building to ensure we deliver the biggest council housing programme since the post-war era?

The Prime Minister: I am proud that this Government are delivering the biggest boost to social and affordable housing in a generation. That is backed by £39 billion, and it means we are unleashing the biggest surge in council house building in more than 30 years. That includes a thousand new social and affordable homes in Luton and Bedfordshire. Our Social Housing Bill will reform right to buy to deliver even more social houses. That is a Labour Government delivering the homes that we need.

Mr Speaker: I call the Leader of the Opposition.

Mrs Kemi Badenoch (North West Essex) (Con): Can I associate myself and those on the Opposition Benches with the Prime Minister's comments about Venezuela, and also about the Lib Dems? *[Laughter.]* But seriously, the Chief of the Defence Staff made it known that the armed forces needed a minimum of £28 billion more to defend the country. Can the Prime Minister tell us why he thinks half that amount is enough?

The Prime Minister: I am proud that this Labour Government have delivered two major funding increases in just two years in government. The first, which was funded by overseas aid, took us to £270 billion over the spending review period. That is a record. The defence investment plan gives us the capability we need for the future and sets a new record of £300 billion over the next four years. That will be invested in drones and autonomous weapons—the largest ever investment—strengthen the UK's nuclear capability, upgrade our naval bases in the most significant way for 45 years, and confirm our commitment to the next generation of fighter jets. That is what is needed to keep our country safe.

Mrs Badenoch: The Prime Minister did not say that it was enough, and that was a very long list of things that he is not yet paying for. It is not right and it is not fair—certainly not to our troops, who put their lives on the line for all of us every single day. Three weeks ago, the Defence Secretary, the right hon. Member for Rawmarsh and Conisbrough (John Healey), resigned saying,

"I am being forced to make decisions that would...increase the risk to personnel on operations, and could make the country less safe."

Since that letter, the Prime Minister has increased spending by only 0.01%. We can count, the generals can count, and the Kremlin can count, and his plan does not add up. How can he possibly stand there and say that this is enough?

The Prime Minister: This is the most significant upgrade in defence spending since the 1980s. The Chief of the Defence Staff has been clear that the plan accelerates the transformation we need for our armed forces. The First Sea Lord said that it funds the capability we need to fight and win, and the Chief of the Air Staff said that

it strengthens our contribution to NATO. The Leader of the Opposition must have missed that yesterday, the Secretary-General of NATO welcomed the plan. Those are all people who know what is in the plan and welcome it.

We can contrast that with the Conservatives' record in government. They hollowed out the armed forces. Their record is cutting defence spending; my record is raising it to £300 billion and rising. Their record is cutting frigates by a quarter, cutting minehunters by a half and leaving 47 out of 49 defence programmes delayed or over budget; my record is the biggest boost to defence investment since the 1980s. Their record is missing Army recruitment targets every year for 14 years. We have given our armed forces the biggest pay rise for 20 years and increased defence funding by £15 billion a year. That is a record I am proud to stand on.

Mrs Badenoch: The Chief of the Defence Staff is an honourable man, and what he and the NATO Secretary-General have done is welcome the fact that the plan has been published—just that it has been published. They have been waiting for more than a year. The strategic defence review was last year. The Chief of the Defence Staff is an honourable man who is having to make do with very little.

The threat level has dramatically changed in the two years that the Prime Minister has been in office. Since he took office, Poland has increased its funding to 4.8% and Germany has increased its funding to 3.7%. This year, Russia will spend 10% of GDP on defence. Meanwhile, Britain is spending it all on welfare. Even the limited plan that the Prime Minister has announced has completely unravelled, because he has not found the money to pay for it. It is £5 billion short. We all know that he is leaving this mess to his successor. Can he confirm that the right hon. Member for Makerfield (Andy Burnham) has agreed to fund the shortfall?

The Prime Minister: What the Conservatives did was cut defence spending. When they came to power, defence spending was 2.5%. What did they do? They cut it to 2.3%—a cut! On welfare, what did they do? They put it up by £88 billion. So we will take no lectures from them about either welfare or defence.

This is £15 billion of new investment for defence, delivered outside a Budget and outside a spending review. That is about £1 billion a year over four years. Because of the decisions at the last Budget, we have had headroom of £22 billion. That is precisely so that we can take decisions like this. We delivered it outside a Budget and outside a spending review, just as we did with special educational needs, outside a Budget and outside a spending review, and just as the last Government did when they announced their five-year NHS plan in 2018, outside a Budget and outside a spending review. And what did they say when they were challenged about it?

"We will be able to explain exactly where every penny is coming from but we will do that in the Budget."

That was the right hon. Member for Godalming and Ash (Sir Jeremy Hunt), then the Health Secretary and later the Chancellor of the Exchequer.

When the Conservatives published their integrated defence review in 2020, what did they do? They set out the funding at the next spending review. So let us drop the faux outrage and focus on what matters: the biggest

sustained increase for 40 years and the biggest increase for 45 years, providing what is needed to keep the country safe.

Mrs Badenoch: The Prime Minister says that he is delivering this outside the Budget. That is right: it should have been in the last Budget. The strategic defence review was published last year. It should have been in the last Budget, not the next Budget. According to the intelligence assessment that the Prime Minister himself has said we have, there could be an attack on NATO by 2030, but this plan does not deliver until after that. Not only is £5 billion missing from his plan, but it relies on £11 billion of unidentified savings.

The plan has unravelled. It is a total dereliction of duty, and I am not the only one who thinks so. *The Times* said today that the Prime Minister's "legacy"—[*Interruption.*] Well, why don't we wait and see what *The Times* said? It said that the Prime Minister's "legacy is betrayal, failure and vulnerability"—and that is one of the nicer headlines.

I will ask again, because the Prime Minister did not answer the question. Did the right hon. Member for Makerfield know that he was going to have to find £5 billion for the Prime Minister's plan?

The Prime Minister: When I became Prime Minister two years ago, this country spent £54 billion a year on defence. Because of the decisions we have taken, that will rise to £80 billion a year by 2029. That is a real-terms increase of 27%, transforming our armed forces. We are not going to take any lectures from the Conservatives. They cut defence spending. They hollowed out the armed forces. That is what their Defence Secretary admitted they did. [*Interruption.*] They do not like it. They will not defend their record, because they cannot. They will not apologise for it, because that would be to admit what we all know: it is a total failure. They just try to pretend that the 14 years during which they were in power never really happened. We are in power. We have record investment in defence and security. I am proud of this Labour Government, and any Labour Prime Minister would stand behind this plan.

Mrs Badenoch: It does not sound as if the Prime Minister has told the right hon. Member for Makerfield to find £5 billion. He says that any Labour Prime Minister would stand behind this plan. Let me tell him what Lord Dannatt, the former head of the Army, said yesterday. He said that the Prime Minister had chosen the "cheap option", and he called the plan "woefully inadequate". Let me tell him what General Sir Richard Barrons, one of the authors of his own strategic defence review, said yesterday:

"we are simply not going to be ready to defend this country properly."

That is what they are saying.

The reason the Prime Minister is in this mess is that he was too weak to cut welfare when he had the chance. There are only three ways to find the missing £5 billion: increase borrowing, increase taxes, or cut welfare. Which one will the Prime Minister recommend to the right hon. Member for Makerfield?

The Prime Minister: We are talking about £1 billion a year over four years. The decisions at the last Budget gave us more than £22 billion in headroom, so we can

take the decisions the country—[*Interruption.*] The Conservatives do not understand this, because they crashed the economy. We built a headroom of £22 billion. The very reason for the headroom is so that we have the credibility to take decisions outside the Budget and outside the spending review. The Conservatives do not understand it because they lost control of the public finances. In addition to doing more for defence and security, we have taken control of the public finances. That is why we have headroom to take credible decisions like this. We have £1 billion a year over four years and headroom of £22 billion because of the decisions that we took in the last Budget, which allow us to take these decisions.

Mrs Badenoch: We understand it perfectly, and that is why—[*Interruption.*] Yes, we do. That is why the Prime Minister is leaving and so is his Chancellor. Labour Members are laughing and pretending, but if he was doing such a fabulous job, why did he resign?

Defence of the realm is the first duty of Government. [*Interruption.*] Yes, it is the first duty of Government. I do not need to read again what General Sir Richard Barrons or Lord Richard Dannatt said. Maybe Labour Members did not hear it the first time—they can rewatch the clips—but defence of the realm is the first duty of Government. Britain is facing a moment of danger unlike anything in our lifetimes and unlike anything that we saw in government. We need a plan to fund our armed forces that meets this moment. They are the Government for now, not for 10 years ago, and the fact is that Labour's plan is too weak, it is too little and it is too late. If the Prime Minister's successor does not want to be complicit in this failure, he should come out and condemn this plan. The money must be found, and that money should come from cutting welfare—something that these Labour MPs will not do. If Labour cannot defend our country, what is the point of them?

The Prime Minister: It is just all talk. What did the Conservatives actually do? They cut defence, from 2.5% to 2.3%, in their 14 long years. And what did they do on welfare? They put the bill up by £88 billion, so we will take no lectures from them. They failed in the first duty of Government, and they will not defend their record, will they? Never do they stand here and defend their record, because they cannot—14 years of failure. They do not get up and apologise, which is what they should do, because they would have to admit what we all know—how much they failed—so they just sit there pretending it did not happen. Well, it did happen. You hollowed out the armed forces; we are correcting that now.

I will tell you what else. When we came into power, public services were on their knees. Today we have seen the fastest fall in NHS waiting lists for 17 years. When I became Prime Minister, we inherited a broken economy. Today we are outperforming the other G7 economies. When I became Prime Minister, our international alliances had been shredded. Now other countries are looking to us to lead on defence and security—foundations of a stronger and fairer country. Britain is in a better state than we found it. That is the difference a Labour Government make.

Q3. [900792] **Mark Swards** (Leeds South West and Morley) (Lab): Two of my constituents, Cody and Liam Townend, and another mum from Leeds, Zoe Ward, all lost babies in different tragic circumstances,

but they all went to the same funeral director, who did not treat their babies' bodies with the dignity, care or respect that they deserved. I will not repeat the shocking details here—the BBC, for its part, published what it could last year—but more shocking still is the fact that the police found nothing actionable in either case, because there is no regulation of the funeral industry. The individual in question is still operating in Leeds today. Given that the Department of Health and Social Care is due to make a decision about changing the law in this area, possibly before the Prime Minister leaves office, will he speak to Ministers and officials in that Department to ensure that when they consider the question of whether to regulate the funeral industry, their answer is yes?

The Prime Minister: I thank my hon. Friend for raising this case; he has been a committed campaigner on this issue. I have seen the details of that particular case, and he is right not to repeat them in this Chamber—they are horrifying. The lack of dignity and compassion is unacceptable, and I simply cannot imagine the pain that Cody, Liam and Zoe experienced and are still experiencing. The status quo here is not working for families, and people deserve to know that their loved ones are treated with dignity and compassion. We are going to consider this issue closely, and I thank him for raising it. I do want stronger standards and oversight. I think that is absolutely needed, particularly in the light of appalling cases like this.

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

Ed Davey (Kingston and Surbiton) (LD): Can I not associate myself with the Prime Minister's comments about my party, but can I associate myself with all his remarks about the earthquake and humanitarian catastrophe in Venezuela? May I commend the Scottish team and the Scottish fans for the joy they brought to the world cup? They did the whole of Scotland proud. May I wish England well against DR Congo later today? But with Reece James and Jarell Quansah in doubt, I know the Prime Minister is not the only one struggling for a solid defence plan. *[Laughter.]*

The wars in Ukraine and Iran show us how seriously we must take the threat of missiles and drones hitting our country. Our national security requires the best possible missile defence system, including Royal Navy destroyers, but the funding in the Prime Minister's plan for this falls dangerously short. Yet he has rejected our proposals for defence bonds, which were used in the past to rearm our country. So why has the Prime Minister chosen to leave our country so vulnerable to missile attack?

The Prime Minister: First, I join the right hon. Member in his comments about the Scotland team and the Scotland fans, and in wishing England well. I am not sure about his gag. He was getting a bit better the other week, but he has gone back down—I am afraid that one is a red card.

Our defence investment plan gives our country what we need to fight now and into the future, with the capability that has been assessed through the strategic review. Bonds, which we looked at very closely, are simply borrowing by another name, and we are already borrowing in a way that requires us to spend £1 in every £10 on servicing the interest. I would gently point out,

before the right hon. Member carries on with any criticism of our plan, that he sat in a Cabinet that cut defence spending by 22%.

Ed Davey: The Prime Minister knows that our defence bonds are within his own fiscal rules and that he has had advice from his own team that he should adopt them, and I hope the right hon. Member for Makerfield (Andy Burnham) will listen.

I have another concern that I think the Prime Minister will share: the rising tide of racist violence and hate that we are seeing in our country, and the way it is being incited and normalised, including, I am afraid, by some Members of this House. I was talking to a British friend of Indian ancestry who told me how Reform activists came to her door and said that, if they get into power, she and her family will have their passports seized and their citizenship revoked. Does the Prime Minister agree that racism has no place in our country, and will he join me in condemning anyone who is stoking it?

The Prime Minister: I thank the right hon. Member for raising this. It is really important, because our politics is becoming more divisive, and racism and intolerance are permeating everywhere. We have to deal with it, because it is tearing our societies apart, it is keeping good people away from politics because they do not want to be involved in it and it should be called out by every single person who is a politician at any level in this country.

Mr Speaker, I say this looking at the plaque to Jo Cox, and of course we have David Amess's plaque behind me too. We had a Jo Cox 10-year reminder—it was 10 years ago, just a week or so ago, that we lost Jo—when I held a reception in Downing Street with her parents, close friends and relatives. We read out Jo's words again, but the very sad thing is that I was not able to say that, in the 10 years since Jo's death, things have got better, because sadly they have got worse. That is on all of us to fix—every single Member of this House, whatever their party—and anybody who flames it should be absolutely ashamed of themselves.

Q4. [900793] **Alex Ballinger** (Halesowen) (Lab): I associate myself with the Prime Minister's comments on the legacy of Jo Cox.

I know that all of us in this place have been following the contest for No. 10 quite closely in recent weeks, but amid the north versus south debate, I think it is about time we had someone from the midlands who was ready to step into this important position for our country. *[Laughter.]* So I am delighted to say we have two fantastic Black Country lads—Jude Bellingham from Stourbridge and Morgan Rogers from Halesowen, who have both been doing us proud in the contested England No. 10 role—for our game against Congo this evening. Does the Prime Minister agree with me that we should congratulate England on their progress out of the group stage so far, and does he also agree with me that we need to do more to support—

Mr Speaker: Order. I call the Prime Minister.

The Prime Minister: I thought the next few weeks were about to get quite interesting, Mr Speaker. We all wish England the best of luck this evening. Every time those players step on to the pitch, they represent the talent, ambition and diversity of this country. We are

proud to be supporting the next generation, investing £400 million in grassroots facilities and over £1 billion in school sports. And if Thomas Tuchel needs any advice on penalties, he should ask David Seaman, who slotted one past him just a few weeks ago.

Dave Doogan (Angus and Perthshire Glens) (SNP): I am gravely concerned that time after time this Prime Minister, in response to the abject and honest criticism of his defence investment plan, cites recent trends in defence spending, when he should be calibrating it against the chronic and very real threat the people on these islands face. In his limited time left in No. 10, will he get a grip of his paper-thin plan?

The Prime Minister: That is from the party that thinks we should give up the nuclear deterrent, and the hon. Gentleman stands there to talk about defence. We need no more advice and sanctimonious nonsense from the SNP. Before he or any of them give any more advice to me or this House, let us have some home truths. Their chief executive has just been jailed for five years for embezzlement. They are all pretending they did not know anything about it. They could not even see the motorhome parked in the driveway, apparently. And now they are blocking an inquiry in the Scottish Parliament. Before they offer any more advice, they should look in the mirror.

Q5. [900794] **Kevin Bonavia** (Stevenage) (Lab): In this increasingly dangerous world the space domain is critical, so I welcome the £3.2 billion set out for space in the defence investment plan. The plan refers to Skynet 6A, the first military satellite to be designed, manufactured and tested completely in the UK, beginning at Airbus in my constituency of Stevenage and supporting 3,000 jobs across the country. Does the Prime Minister agree that we must develop both UK sovereign capability in space and the British jobs that already power it?

The Prime Minister: Our commitment to space in the defence investment plan reflects how we are preparing our armed forces for the conflicts of the future. When I see apprentices working in our defence industries, I see this investment creating more opportunities in many constituencies, including in my hon. Friend's. It underlines exactly what our investment delivers: 60,000 new jobs, investing in British skills, promoting our brilliant industries abroad and driving growth in the UK.

Q10. [900800] **Luke Taylor** (Sutton and Cheam) (LD): On Monday, with colleagues, I wrote to the Health Minister following the news that women's health and maternity services may be relocated away from St Helier hospital due to building safety concerns. Yesterday we heard Baroness Amos's review state:

"Poorly maintained buildings...affect how safe people feel, how effectively staff can work, and whether care can be delivered in a way that is private, respectful and reliable."

It has been reported today that the Department of Health and Social Care's capital budget will be cut by more than half a billion pounds over this Parliament to fund the DIP, which puts the new hospital programme timeline in doubt. Will the Prime Minister arrange for the Health Secretary to visit St Helier hospital with me to see its condition and hopefully agree to bring forward the build of the new Sutton specialist emergency care

hospital—build it today, not in 2034—to ensure safe and modern healthcare and maternity facilities for my constituents?

The Prime Minister: In relation to the hon. Gentleman's hospital, he knows that those decisions are taken at a local level, based on expert advice. We are committed to prioritising women's health as we reform the NHS, including through our women's health strategy. In his area alone we are investing £57 million to transform care. That is money we provided at the Budget. He actually voted against it, along with the rest of the Lib Dems. They cannot complain about the lack of investment and then, when we put the money forward, vote against it. That, again, is very Lib Dem.

Q6. [900795] **Michelle Welsh** (Sherwood Forest) (Lab): The Donna Ockenden and Baroness Amos reviews have exposed some uncomfortable truths: that justice is not brought about by a system, a law, a protocol, a regulatory authority or NHS England, but by bereaved and harmed families having to speak up, over and over again, about the most horrific and traumatic experience of their lives just to be heard. Does the Prime Minister agree that the system is not only failing but cruel, and if we are to restore public trust then we must finally introduce the Hillsborough law in full, so that families can get the justice and accountability they need and deserve?

The Prime Minister: I thank my hon. Friend for raising this subject. Baroness Amos's findings show a deeply disturbing picture of deep fragmentation and an overly complex system, with women and families not being listened to, no proper accountability, and discrimination driving inequalities in treatment and outcomes. We will deliver the change that is needed. We will look at the urgent recommendations of Baroness Amos and Donna Ockenden and deliver them. I thank my hon. Friend for leading from the front as the first maternity adviser, working with families and the NHS to deliver safer and better care for every mother and baby. I know that her son Billy will be very proud of her.

Q11. [900801] **Sir Desmond Swayne** (New Forest West) (Con): Through omission or insufficient advice, injured veterans may fail to place their compensation in a trust within the one year allowed by universal credit. Can discretion be had in compassionate cases?

The Prime Minister: I thank the right hon. Gentleman for raising this important point—I am enjoying our weekly exchanges! Every veteran who served our country should be looked after and better able to access any compensation that they are entitled to. We have dedicated pathways for veterans in every jobcentre to provide support with benefit claims and complex cases. I can assure and reassure him that anyone coming forward will get tailored support, and we will seek to resolve any issues swiftly and fairly to see where we can improve. If the right hon. Gentleman or other Members have any specific cases, they can pass the details to us, and we will look at them. I noticed that the BBC reported on the right hon. Gentleman's question last week as being almost certainly his last to me as Prime Minister—a reminder that you shouldn't always believe everything you read in the news! I look forward to seeing him—same time, same place—next week.

Q7. [900796] **Catherine West** (Hornsey and Friern Barnet) (Lab): I thank the Prime Minister for his calm and authoritative leadership in international affairs. I also thank the UK missions abroad, who have enormous respect for the Prime Minister. May I ask him to put on record his thanks to the security, diplomatic and international aid workforce, who work day and night on behalf of the UK abroad? Closer to home and despite the heatwaves, as a fellow north Londoner let me also say: north London forever, regardless of the weather.

The Prime Minister: My hon. Friend always speaks her mind! [*Laughter.*] I join her in thanking our people. I am proud that during my tenure, we have delivered five major trade deals, led the coalition of the willing to support Ukraine, strengthened the NATO alliance, built stronger partnerships with the EU and kept us out of the war in Iran. I thank my hon. Friend for the contribution that she made as a Minister in the Foreign Office.

Q12. [900802] **Mr Joshua Reynolds** (Maidenhead) (LD): Yesterday the Prime Minister visited Maidenhead to announce his new defence investment plan. However, we now know that he is leaving it to his successor to decide how to fund the majority of it. We cannot fund our armed forces without growth, and we cannot get growth in Britain without dismantling the red tape that businesses face and trading closer with our closest neighbours. Does the Prime Minister agree we can properly fund our forces with a new growth and defence partnership with Europe, and will he urge his successor to drop Labour's red lines to get it done?

The Prime Minister: The hon. Member obviously did not pay as much attention as he should have to what I said yesterday on the plan, the capability, the record investment that we are putting in and how we are funding it. I do agree that we need to work more closely with the EU on defence and security, as well as on trade and the economy. That is precisely what we agreed at the EU-UK summit last year, and we have been building on that. I am proud to say that in the last two years, the relationship between the UK and the EU has been transformed into a much better, trusted relationship. It is very important that, as Prime Minister, I leave the country in a better state than I found it, and I do.

Q8. [900797] **Sarah Russell** (Congleton) (Lab): Dr Carly Mellor, an NHS dentist in my constituency, recently said the following to me:

"Ministers had pledged to fix the failed contract we work to within this Parliament. The Government has begun discussions on a new contract, and promised a public consultation on it this summer. With a typical dentist now delivering NHS care at a loss, with every passing month more practices are reconsidering their futures in the NHS, while millions of patients continue to struggle to access care."

Reforming the contract is the route to better treatment for my constituents. Can we please start the consultation without delay?

The Prime Minister: I thank my hon. Friend for raising this matter. I am pleased that we have delivered over 1.8 million additional courses of NHS treatment, because no one needing urgent care should be left in pain and waiting for help. We have already made early reforms, including embedding urgent care into the contract so that people get fast access to NHS care, and delivering

the first sustained expansion of dental school places in nearly 20 years to get extra dentists trained. We will consult on a reformed dental contract soon, and I will make sure that Ministers update my hon. Friend on that.

Q13. [900803] **Lee Anderson** (Ashfield) (Reform): In Ashfield, four workers, including two nurses, were kicked out of their HMO, only for Serco to put four illegal migrants in their place. One of those illegal migrants was a Pakistani national who went on to rape a vulnerable young girl in a park in Ashfield. He is now doing 14 years in prison. That monster was allowed into this country by this awful Government. If the Prime Minister is really serious about protecting young women and girls, does he agree with me and Reform UK that every single illegal migrant coming to this country should be detained, not allowed to claim asylum and then deported?

The Prime Minister: I am very proud of the fact that after net migration reached almost 1 million under the Conservatives, we have brought it down by 82%. The hon. Gentleman references the asylum system; asylum decisions are being made at record levels, the backlog is down, removals are up 41% and we are closing asylum hotels. The Conservatives lost control of our borders, but small boat crossings are now coming down, and we have deported 70,000 people with no right to be here.

The hon. Gentleman likes to ask questions. He should be asking some questions of the leader of his party, the hon. Member for Clacton (Nigel Farage), who is sitting next to him—he received £5 million from a crypto billionaire and then privately lobbied the Bank of England on digital currencies. Did the Reform leader carry out paid lobbying? Why did he keep his £5 million gift secret? Are Reform Members happy with their leader earning £20,000 an hour flogging gold bullion? They need to ask questions across the Reform Bench, but they never do.

Q9. [900799] **Lewis Atkinson** (Sunderland Central) (Lab): Too many people are waiting too long for NHS mental health care, with over 6,000 adults waiting up to two years. In Sunderland, grassroots organisations like the wonderful Betsy Jenny café are providing support to our community, but they cannot substitute for timely, NHS-funded care. As the Government consult on their new mental health strategy, will the Prime Minister agree that it must include clear waiting time standards?

The Prime Minister: We are determined to transform mental health services so that everyone gets the support they need. I am pleased to say that we have recruited 8,700 extra mental health workers. We have opened the first of six 24/7 neighbourhood mental health centres and ensured that nearly 800,000 more children and young people have access to a mental health support team at their school or college. There is more to be done, but this is a real step forward.

Q14. [900804] **Carla Lockhart** (Upper Bann) (DUP): Last week in Northern Ireland, a former Member of this House was convicted of the most horrific child sexual abuse against two girls. I commend the victims for their extraordinary bravery in coming forward; it was their courage that secured a conviction, and I have

no doubt that their resolve will help others to find their voice. No matter an abuser's power or status, there can be no hiding place for someone who would steal the innocence of young children.

Thousands of vulnerable young women in Rotherham, Oldham and across the UK were subjected to organised child sexual abuse and exploitation. In many cases, Pakistani-heritage grooming gangs were responsible, while institutions looked the other way. Before leaving office, the Prime Minister has the ability and opportunity to leave a legacy. Will he ensure that the promised statutory rape gang inquiry is delivered so that the truth can finally be told, those responsible are held to account and no child's safety is sacrificed ever again for racial sensitivities?

The Prime Minister: I thank the hon. Lady for raising the case in Belfast that concluded last week and, like her, salute the courage of the victims to come forward. It must have taken extraordinary courage; it does in every single one of these cases, but particularly when they involve powerful people and institutions, it takes even more courage to do so. We salute them for their own acts, but also because that will, I hope, have helped

others to see that if they do come forward, they will be believed and justice can be done, notwithstanding the difficulties.

On grooming, we have set up the inquiry and it is very important it goes wherever the evidence should take it. That is an absolute guiding principle of the inquiry.

Alex Davies-Jones (Pontypridd) (Lab): This afternoon we are joined in the Gallery by Lisa Phillips, a British survivor of Jeffrey Epstein's horrific and despicable trafficking and abuse. Lisa's bravery is to be commended, and her determination for justice and accountability on behalf of all UK survivors should be put on record. I want to place on record my thanks to you, Mr Speaker, for meeting Lisa this week; your solidarity means more than you will ever know. In that vein, will the Prime Minister please commit to meet Lisa and the other British survivors, and commit to what is needed: a full public inquiry, so that we can have truth, justice and accountability?

The Prime Minister: I thank my hon. Friend for raising this really important issue and drawing it to the attention of the House, and I am glad that we are joined in the Gallery today. It is really important that we keep our focus on violence against women and girls, and I will make sure the meeting she requested is set up.

Israel: E1 Zone Expansion

12.42 pm

Matt Western (Warwick and Leamington) (Lab) (*Urgent Question*): To ask the Secretary of State for Foreign, Commonwealth and Development Affairs if she will make a statement on Israel's planned illegal expansion in the E1 zone in the Occupied Palestinian Territories.

The Parliamentary Under-Secretary of State for Foreign, Commonwealth and Development Affairs (Mr Hamish Falconer): The British Government firmly oppose the E1 settlement plan. It would divide the west bank in two and mark a serious breach of international law. The Prime Minister led 11 other world leaders in a joint statement last month. That condemned the E1 plans, urged the Israeli Government to end settlement expansion, and warned businesses of legal and reputational consequences of participating in construction in E1 and other settlements. We are clear: businesses should not bid for construction tenders in E1 or other settlements.

We are deeply alarmed by the situation in the west bank: illegal settlements continue to expand; settler violence remains at record levels; and the Israeli Government have further entrenched their control. Last month, the Foreign Secretary announced further sanctions in response to that violence in the west bank. That is the fourth package under this Government. We welcome the condemnation of settler violence at the highest levels of Israeli society. Now Israel must conduct swift and transparent investigations into these attacks, and ensure accountability.

The Foreign Secretary also announced that we had updated our business guidance to clearly advise British businesses and citizens not to engage in economic and financial activity in settlements. We have been concerned by efforts to advertise settlement property in the UK and by reports of charitable links between the UK and settlements. I have written to the Advertising Standards Authority and spoken to the Charity Commission about these issues, but I want to reassure the House that while these trends in the west bank continue to worsen, we will continue to take steps to ensure that no one can profit from the sale of land that has been taken unlawfully, that violent settlers are held to account, and that the British Government stand up for the rule of law, for the right of Palestinians to self-determination, and for the prospects for peace and security through a two-state solution.

We are in discussion with partners, including those few countries who have explored how a ban on settlement trade might work. We are looking at further concrete steps to counter settlement expansion and promote peace and security. It is only through a negotiated two-state solution, not unilateral action, that a viable path to long-term peace can be achieved. That path must guarantee security to Israelis and Palestinians alike.

Matt Western: Just yesterday, the Israel Land Authority published new dates for the tender for the construction of the proposed E1 settlement zone in the west bank. The bidding period for the tender ends in October, and once the contracts have been awarded, it will become impossible to stop E1. Why is E1 so critical? It is because the proposed settlement would absolutely and

permanently destroy any prospect of a true two-state solution. It is a large area of land that would split the west bank from north to south, severing connections between Palestinian communities and East Jerusalem, while forcibly transferring 7,000 Palestinians—itsself a war crime under the Rome statute.

A few of us visited just four weeks ago. We saw at first hand the accelerated pace at which Israel is expanding its illegal settlements. A massive 2,000 housing units have been approved since that visit alone according to the United Kingdom chargé d'affaires at the UN on Monday. It is clear that Israel is systematically and deliberately doing all it can to make a two-state solution impossible, and its impunity must end.

Will the Minister make categorically clear today that any businesses or organisations, including financial and insurance institutions, or individuals that participate in or facilitate the construction of the E1 zone, will be sanctioned and not allowed to trade and do business with the UK, and will the Government legislate accordingly as a matter of urgency? Secondly, alongside 139 parliamentary colleagues, I have urged the Minister to end all trading with illegal Israeli settlements. Can I once again urge the Minister to implement a full ban and suspend the free trade agreement with Israel, based on its continued violations of human rights and the prospect of this development?

Palestine is fracturing before our eyes. Our intelligence can see this. The international community must stop E1.

Mr Falconer: I thank my hon. Friend for his attention to these issues, and I know that he recently travelled to the Occupied Palestinian Territories to see it with his own eyes. As I have said many times, I will not comment on sanctions from this Dispatch Box, but I have been clear, and the Prime Minister has led 11 other world leaders in being crystal clear, on the implications and consequences if the E1 settlement continues. He and his colleagues were clear in that statement that there would be implications for the businesses themselves. So far we have had word from the Israeli Government about their plans; clearly, businesses in the region will want to consider carefully the warning in the statement last week and the clear commitment from the Dispatch Box in the UK that we will take further measures if the violent action to increase settlements continues in the west bank.

Mr Speaker: I call the shadow Minister.

Wendy Morton (Aldridge-Brownhills) (Con): I will address directly the matter of settlements in a moment, but I want to make a broader point first. Diplomacy is about rolling up our sleeves and putting in the hard yards, not just issuing condemnatory statements. I believe that if the Minister wants to have real sway with the Government of Israel, there has to be meaningful dialogue, but at the moment there is no dialogue between this Labour Government and Israel, despite the obvious importance of the bilateral relationship to Britain across so many domains.

That is because of the decisions that Labour has made—from suspending export licences when Israel was burying murdered hostages to cancelling trade talks and recognising a Palestinian state when hostages were still being held in terrorist captivity. By deliberately

keeping relations with Israel in a deep freeze, Labour is cutting off its ability to influence situations on the ground.

None the less, settlement expansion in the west bank is not helpful for achieving the long-term peace that we all want to see. *[Interruption.]* That has long been my party's position. We would also like to see Israel use its legal system to bear down on settler violence.

We on the Conservative Benches do support a two-state solution: one that guarantees security and stability for both the Israeli and the Palestinian people. Will the Minister tell us whether he has spoken to his Israeli counterparts directly on the E1 situation? Are the Government doing anything at all to help the Abraham accords expand or to unblock issues holding up a broader regional peace? Finally, will he update us on his assessment of the Palestinian Authority's plan to hold elections in November and whether he is concerned by the PA's lack of progress on the total overhaul of curricula and welfare policy, which is so clearly needed?

Mr Falconer: I will deal first with the latter points raised by the Opposition spokesman. Yes, we continue to talk to the Palestinian Authority, including on the reform agenda and the need for elections.

It is an undeniable fact that I am the middle east Minister who during my time recognised a Palestinian state, and sanctioned Israeli Ministers who now regularly take to the airwaves to issue in the most bloodthirsty terms encouragement for some of the activity that I am being asked about today. I am afraid that an inevitable consequence of the actions announced from this Dispatch Box is that the warmth of my relationship with my counterparts in Israel has indeed suffered, but this Government will not hesitate to stand up for principles, which I think are supported right across this House.

The right hon. Lady could not have failed to hear the groans from behind her on the Conservative Benches. I know, in recognising a Palestinian state, that I was of course supported by Labour Members behind me, but I think I was also supported by Conservative Members behind her.

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

Emily Thornberry (Islington South and Finsbury) (Lab): I recently read an interesting letter from the Dutch Foreign Minister to the Speaker of their Parliament. In it, he said that his Government had carefully weighed the efficiency, the effectiveness, the proportionality, the enforceability and the administrative burden of introducing a full trade ban on Israeli goods coming from the illegal settlements in the west bank. He said that, having looked at all of that, the Netherlands had decided that the right thing to do and the legal thing to do was to push for a full trade ban with the settlements—and so has Ireland, and Norway, and Spain, and Slovenia, and Belgium, and Luxembourg, and Portugal, and Finland and Poland. My question is: when are we going to join them?

Mr Falconer: I dislike disagreeing with my right hon. Friend. Slovenia introduced and then repealed the measures it took. In our discussions with our counterparts—particularly those in the European Union—we hear of a number of technical difficulties that people are

encountering. But let me be clear to the House, as I was in my statement, that I am confirming today that we are in discussions about such measures.

Mr Speaker: I call the Liberal Democrat spokesperson.

Monica Harding (Esher and Walton) (LD): Well, here we are again. The Liberal Democrats have welcomed the Government's historic decision to recognise the state of Palestine, which we have long called for. We have welcomed more recent statements of intent, including just 10 days ago in this House, but such statements are utterly hollow without action, especially when we know that the Israeli security cabinet's stated aim is to make a future Palestinian state unviable.

We have asked these questions before, but we will ask them again. When will the Government put forward a clear plan to halt and reverse the illegal expansion into East Jerusalem and the west bank? When will they respond to the 2024 ruling of the International Court of Justice? When will they introduce a package of sanctions including fines for any UK firms that bid for contracts for settlement construction in E1 or anywhere in the Occupied Palestinian Territories? Will they expand that to cover any UK financial institution that finances or facilitates UK companies' involvement in construction or other services? When will the UK move fast to ban all UK trade in goods and services with illegal Israeli settlements?

Mr Falconer: I think that I have already addressed most of those questions. I have just confirmed again, as I did in the statement, that we are in discussions about further measures in relation to west bank goods. We have set out business guidance, and the Foreign Secretary announced the fourth round of sanctions in June.

The hon. Lady referred to speed. I think she will acknowledge that we have moved rather more quickly than some of our partners and allies. I am pleased to see many of them taking some of the measures that I announced in the House in 2025, including sanctions on the Ministers that I mentioned. We are moving with alacrity in response to what we see.

The question at issue in the urgent question is about the E1 settlement expansion. It is rumoured that there is now a timetable for those tenders. I have been as clear as I can be from the Dispatch Box that we are watching very carefully who bids for those tenders. We have been clear repeatedly with the Israeli Government about our view on the E1 expansion; I have repeated it today. The question before us is whether, in the run-up to the Israeli election, commercial entities choose to bid for those tenders. That is what we will be watching carefully and taking action in response to.

Mr Speaker: I call the Chair of the International Development Committee.

Sarah Champion (Rotherham) (Lab): It is right that the Government acknowledge that Israel's presence in Palestine is illegal under international law, but for two years they have not responded to the ICJ's advisory ruling that Israel's actions towards Palestinians in the west bank may constitute forcible transfer.

The Israeli Government expressly back the E1 scheme, which will necessarily displace tens of thousands of Palestinians and dissect the west bank. Netanyahu said of the plan:

[Sarah Champion]

“We are going to fulfil our promise that there will be no Palestinian state. This place belongs to us.”

The UK’s current situation is unsustainable. Will the Minister acknowledge the Israeli Government’s role in the forcible transfer of Palestinians in the west bank and act accordingly with a full range of diplomatic interventions?

Mr Falconer: I would not want there to be any ambiguity about the force of our views about what is going on in the west bank. That is why we have done four rounds of sanctions and why I am setting out clearly today what the likely consequences are, should that action continue. The advisory opinion of the ICJ is important, but it is a non-binding opinion of an international court. We do not need to make a judgment on that opinion in order to take action. Indeed, we have taken considerable action over the last two years in the way in which I have set out.

Mark Pritchard (The Wrekin) (Con): I have said it before and I will say it again: I believe that the life of a Palestinian child is as precious as that of an Israeli child. That is the foundation of all of my views on this. May I congratulate the Minister for the middle east, and indeed the Prime Minister, who is not in his place, on having the courage and the leadership to recognise the Palestinian state when they did so? I supported that and continue to do so.

Indeed, this urgent question justifies that position last September, because at that point we were all concerned that the viability of a Palestinian state was reducing as the weeks went by. We have seen that the extant policy of the current Israeli Government is to continue those illegal occupations and expansion. Will the Minister tell the House the latest on his discussions with Washington about the board of peace and reconstructing Gaza, ensuring that there is a viable Palestinian state? Finally, what is his view on whether the current Israeli Government’s position is likely to pertain beyond this autumn?

Mr Falconer: I thank the right hon. Gentleman for the question. We are clearly speaking in the run-up to an Israeli election campaign. Elections are likely in October, and there is, as in any democratic country, a particularly heavy amount of policy positioning by various parties. We are calling on all Israeli politicians to abide by the basic principles of both international law and the very important 20-point plan to which he alluded. I have spoken to officials at the board of peace and the National Committee for the Administration of Gaza as well as the Palestinian Authority. It is vital that we make progress on that plan. There are still insufficient quantities of aid getting into Gaza and unresolved questions about the disarmament of Hamas. We are playing our full role behind the scenes to try to make progress on those questions, but the situation is becoming urgent indeed, both in the west bank and in Gaza.

Rushanara Ali (Bethnal Green and Stepney) (Lab): The E1 settlement expansion programme is clearly designed to undermine a Palestinian state, despite this Government, for the first time in our history, recognising Palestinian statehood. Will my hon. Friend highlight the timeframe that he is working to, for discussions on the FTA, as

well as for other actions, including sanctions? I recognise that he cannot talk about the specifics, but will he set out the timeline in order to assure us that it works, in the light of the expansion plan, so that we are not acting after the event, as has often been the case in relation to the Israeli Government’s actions?

Mr Falconer: I am hesitant; I do not want to end up talking about, at the Dispatch Box, what the Israeli Government’s plans may or may not be; they will speak about those themselves, through their own channels. As I understand it, there is an intent to have a tender, as was mentioned by the Liberal Democrat spokesperson, which would end in October. We will work to that timetable, which clearly runs right up to the Israeli election. It is deeply inappropriate to proceed, so close to an Israeli election, with a programme that has such grave consequences internationally.

Simon Hoare (North Dorset) (Con): I thank the hon. Member for Warwick and Leamington (Matt Western) for his urgent question. I was on the trip to Israel with him the other week, and we saw all too clearly and depressingly the very clear strategy of the Israeli Government; for them, E1 is a way of effectively blowing out of the water any delivery of a two-state solution. May I gently make this point to the Minister? The quiet, gentle Foreign, Commonwealth and Development Office approach of taking a watching brief—looking at events to see how they unfold—needs a bit of gumption and muscle behind it. President Trump recently reminded Israel that without America, it would not exist. That should send a chill up the spine of Benjamin Netanyahu and his Ministers. As well as the Minister trying to talk to his Israeli counterparts, what conversation is he having with the Americans, who provide a massive amount of military support to Israel, to try to get the Netanyahu Government to rein it in, when it comes to E1?

Mr Falconer: The Foreign Secretary, other Ministers in the Government and I discuss those questions with the American Administration. It is obvious, as the President of the United States has said, that the Israeli Government are alienating even some of their closest allies through their conduct, both on the west bank and in Gaza.

Janet Daby (Lewisham East) (Lab): I thank my hon. Friend for his response on Israel breaking international law, and for opposing and denouncing illegal settlements on the west bank. Recently, the International Development Committee heard about some of the atrocities that are taking place; in one instance, gunshot was fired through a car, killing a 7-month-old baby and their parents. The community has no legal protections; they are not safe. What more are the Government doing, or considering, to give legal protections to this desperate community?

Mr Falconer: As I said, questions of justice and accountability are foremost in our mind. We raise them with the Israeli Government regularly, particularly in relation to cases that involve British nationals. We are still awaiting justice and accountability for the World Central Kitchen incident, which killed a number of British aid workers.

I know of so many stories like the one my hon. Friend refers to. I remember visiting Ramallah before I was a Minister; children had been killed on the streets as we drove in to see the Palestinian Authority. There are far, far too many such cases, and we continue to make that point with force, both to the Israelis and in multilateral settings.

Richard Foord (Honiton and Sidmouth) (LD): In June last year, the UK sanctioned Israeli far-right Minister Bezalel Smotrich for inciting violence against Palestinian communities. In recent weeks, Smotrich has issued an order to displace the Palestinian Bedouin community. The UK position on sanctions against Smotrich was part of a joint statement last year with Australia, New Zealand, Norway and Canada. What talks have the Government had with those same partners about further united sanctions against other Israeli Ministers?

Mr Falconer: For obvious reasons, I will not disclose the full details of diplomatic talks, but I am sure the hon. Gentleman can see the number of things that we have done jointly, including the E1 statement that I referred to last month. We think we have more impact and influence when we work in concert with our friends, and that is what we will always seek to do.

James Naish (Rushcliffe) (Lab): I was proud last year to be part of the Government who finally recognised the state of Palestine. However, the very idea of statehood is illusory when such activities are happening. After four rounds of sanctions, what is being done with international partners to hold individuals to account for forced displacement, as mentioned by my hon. Friend the Member for Warwick and Leamington (Matt Western), as we know that that constitutes a war crime under international humanitarian law?

Mr Falconer: It gives me no particular pleasure to be talking about the fourth round of sanctions. One would wish that diplomatic activity could have been enough to prevent the kind of incidents that so many Members are talking about this afternoon, but while they continue, so will we.

Kit Malthouse (North West Hampshire) (Con): They say that the definition of insanity is doing the same thing over and over again and expecting a different result. Many of us feel that way about these statements, and surely the Minister must be starting to feel that way, too. He must recognise that the E1 settlement would represent the final and complete collapse of any British strategy in Israel and Palestine, and would have wider ripples, in terms of our standing in the world. Surely it is incumbent on him to change his *modus operandi*. Over the last two years of savagery, we have had meagre measures—talk, talk, talk, from both this Government and the previous one, frankly—and none of that has had any impact on the conduct of the Israeli Government. Surely now is the time to lay out exactly what the consequences would be for the establishment of the E1 settlement in plain terms, so that there is a hard red line, and the Israelis can make a judgment about whether they want to cross it.

Mr Falconer: I gently disagree. I feel that there is some force in what the right hon. Gentleman says about insanity being doing the same thing again and again.

We have had many exchanges of that nature. Over the course of two years, the British Government have taken a whole range of steps. We have talked about recognition and sanctions—

Kit Malthouse: None of them has had any impact; not a single thing has changed.

Mr Falconer: Returning to the question about the consequences for the Israeli Government, we could not have been clearer, alongside 11 other world leaders, about what they would look like. I say gently to the right hon. Gentleman that the range of actions taken by the Government that I am a part of was absolutely unthinkable to him when he was sitting on the Government Benches. Recognition, suspension of—*[Interruption.]* We have done it; you did not.

Madam Deputy Speaker (Ms Nusrat Ghani): Order. I know that this is a very sensitive debate, so let us make sure that we keep our emotions in check.

Kim Johnson (Liverpool Riverside) (Lab): Israel's illegal expansion in the E1 zone of the Occupied Palestinian Territories is a clear breach of international law and makes a viable Palestinian state impossible. Does the Minister agree that that is nothing short of ethnic cleansing, and that the Government should do everything in their power to prevent that from happening by sanctioning all British companies complicit in the expansion, bringing an end to the import of settlement goods, and establishing a full arms embargo?

Mr Falconer: I have set out as clearly as I can our position on the E1 settlement. I have also been clear that no one should be profiting from unlawfully seized land.

Brendan O'Hara (Argyll, Bute and South Lochaber) (SNP): The expansion is yet another egregious violation of international law, and as expected, the UK Government have unequivocally condemned it, but the problem is that, as Tel Aviv understands it, condemnation from the United Kingdom is pretty meaningless and largely consequence-free. That is a position that simply cannot hold. Will the Minister lay out what the consequences will be for the state of Israel of its actions, and for any UK company that seeks to involve itself in the illegal expansion into the E1 zone?

Mr Falconer: I gently push back on the suggestion that what we do has no consequences. I have been pleased to see, as I said to the Liberal Democrat spokesperson, that other partners and allies have taken the actions that we have. There are consequences for Israel, in terms of its position in the world, when it alienates as many of its friends and allies as it has. We have set out as clearly as we can, both for companies and for the Israeli Government, what our views on the E1 settlement are. We did that at head-of-Government level last month. That statement has been seen widely around the world. I cannot guarantee to this House that people will take heed of the statement, but we have set out our position in exactly the way that the hon. Gentleman requests.

Fleur Anderson (Putney) (Lab): I have joined other MPs in visiting the west bank and East Jerusalem. This mega-development, this zonal occupation, is huge in scale. It involves a massive city, a dual carriageway, universities and hospitals, and it is absolutely undermining the peace of the two nations. I ask the Minister: what more can be done at international level? What is being done by our mission in the United Nations to bring in international sanctions, working together? Can he also tell us more about what is being done with America? This is being done with its blessing, support and money. What more can be done to get a change of pace, and to ensure that a different envoy goes in from America to sort out peace in the middle east?

Mr Falconer: I will not speak for the American Government; they have set out their position on their concerns about annexation quite clearly. We have discussed throughout this afternoon just how significant the E1 development would be, and I think that that is understood in Washington DC.

Dr Andrew Murrison (South West Wiltshire) (Con): I share the Minister's frustration about our appearing to be on the sidelines as this Israeli Government divide up the west bank, making a two-state solution nigh-on impossible. What is happening is contrary to the fourth Geneva convention, Oslo II and all the rest of it. However, does he agree that his capacity to influence what is happening is finite? If Israel, under Netanyahu, is not listening to the Trump Administration, it almost certainly will not listen to the Administration that the Minister is part of. However, he can do something in this awful situation: he can at least protect those in this country who will suffer the consequences of what is happening in Israel and the Occupied Palestinian Territories, who are the butt of a lot of the violence in this country, namely the Jewish community. What will he do to ensure that they do not suffer the consequences of what is going on?

Mr Falconer: I thank the right hon. Gentleman, my predecessor, for his question, and for the opportunity to comment on antisemitism. Before I do, I just want to say that this is a delicate period in Israeli politics. I hope the result of the Israeli election will be a set of Israeli policies that are much closer to the wishes of this House. He is, of course, right to say that my ability to influence developments on the ground is finite—if it were not, we would not be in this situation—but we will continue to use all our leverage to try to ensure change. During this period, we can perhaps hope that the Israeli political process will deliver results more akin to a policy that this House would like to see.

John McDonnell (Hayes and Harlington) (Lab): I echo the frustration that we all have, and I want to live long enough to see Netanyahu before a criminal court. When we raise individual cases, it is frustrating to not know whether it will have any effect, but sometimes it can have the effect of letting people know that they are not forgotten. Part of the annexation of the west bank has been about the arrests of individuals, and one of them is Dr Mazen al-Rantisi, known as the doctor of the poor. Can I ask the Minister to raise his case with the Israelis? Could he also raise another case that we mentioned some time ago—that of Dr Hussam Abu Safiya, who

has been in isolation for 500 days? If we could raise those cases, at least their families would know that they are not forgotten.

Mr Falconer: We have, and we will.

Jeremy Corbyn (Islington North) (Your Party): All this hand-wringing over the E1 zone is very important, but in reality what is happening is part of the greater Israel plan. Israel already controls 70% of the Gaza strip; it is squeezing the whole population into the sea or into Egypt. It is already supporting, by military means, all the activities of the settlers, their abominable behaviour towards Palestinian people, and the construction of massive settlements all over the west bank. In reality, it is Israel's strategy, Israel's plan and Israel's determination that we are up against. Merely condemning Israel for this occupation of E1 will achieve nothing. There has to be a policy of stopping all arms trading and military co-operation of any sort with Israel until it ends this settlement policy. Anything less will just be hand-wringing that the Israeli Government will ignore.

Mr Falconer: I do not think the policy of settlements is supported across the whole of Israel. That is very clear in the discussions about the coming elections. There are many voices in Israel who recognise the terrible harm being done to the state of Israel by the expansion of settlements. I hope you will forgive me, Madam Deputy Speaker, if I come back to the point about antisemitism. We must be really careful in our language. There are many, many Israelis—and indeed many, many British Jews—who can see the terrible damage being done by violent settlement, and we must not tar communities in this country or the whole nation of Israel with the same brush. I am grateful for the opportunity to return to the point raised by the right hon. Member for South West Wiltshire (Dr Murrison).

Dr Peter Prinsley (Bury St Edmunds and Stowmarket) (Lab): First, may I thank the Minister most sincerely for his statement? His is not an easy task. Eileen and Catherine from Bury St Edmunds lobbied me here in Parliament yesterday, for they feel very deeply about the plight of the Palestinians, as do we all. They asked me what we in this House could do to influence the Government of Israel. I believe that we must support progressive voices in Israel, for this is an election year. Does the Minister agree with me?

Mr Falconer: I do agree, and I pay tribute to my hon. Friend's work. I know he has been an active voice on these questions and that he sought to visit Israel to engage with those progressive voices. More fool Israel that it did not allow him in.

Edward Argar (Melton and Syston) (Con): The Minister has one of the toughest jobs in Government, and he carries out his duties with diligence, courtesy, reasonableness and ability. I wish him well in whatever the future holds, and I hope he retains his post. Members on both sides of the House have rightly highlighted the illegality of settlements and rightly expressed support for a two-state solution. However, it was reported that on approving the E1 zone development last year, Israel's Finance Minister said that it would

"bury the idea of a Palestinian state".

Will the Minister unequivocally reiterate his full condemnation of such a statement and approach?

Mr Falconer: I will, and I thank the right hon. Gentleman for his courteous words.

Sarah Owen (Luton North) (Lab): Before I start, I thank the Minister not only for his statement but for his robust response to the Opposition Front Bench, whose response was appalling. The E1 settlement plan deliberately cuts the west bank in two. The escalating violence and expansion of illegal settlements not only undermine the viability of the Palestinian state but fly in the face of international law. This is not by accident; this is by deliberate design. Will the Minister outline how exactly the Government can guarantee that illegal settler activity is not supported by UK-registered businesses, charities or trade, and how we will hold them to account if they ignore the guidance set out?

Mr Falconer: My hon. Friend has been a doughty advocate on these questions for many years, and I was pleased to join her to meet students from Gaza earlier this week. We will take steps to ensure that the UK is not in any way involved. Legitimate trade with green line Israel is, of course, permissible, but when businesses in this country trade with the occupied territories and seek to make a profit from land that has been unlawfully procured, we will take action.

Layla Moran (Oxford West and Abingdon) (LD): Build E1, kill the prospect of Palestine. It is that simple, and that is not a conspiracy theory; it is Israel's stated aim. We have a small window to affect what happens next because the Israeli elections are happening soon, as the Minister said. If we are going to make any difference to the ordinary Israeli politic about who they decide to elect, we need to act now and turn this on its head. He talks about the technicalities in banning trade with the illegal settlements. I have laid a Bill that makes it quite simple: prohibit it now, put the onus on the Israeli Government to sort it out, and if they change their policy, we will change ours.

Mr Falconer: I thank the hon. Lady for the question. I can reassure her that I am very conscious of the electoral timeline and the rumoured timeline for the tenders as well. That is one reason we have set out the statements that we have on the timeline that we have.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): As co-chairs of the Britain-Palestine all-party parliamentary group, my hon. Friend the Member for Middlesbrough and Thornaby East (Andy McDonald) and I have written to over 43 organisations that have, or are suspected to have, previously been involved in unlawful expansion in the occupied territories. That was to warn them of the potential issues should they try to bid for these tenders. We have also been in contact with counterparts in Europe and Australia who will be doing a similar thing, and we hope that Members in the New Zealand and Canadian Parliaments will follow suit. On what the Government can do, the Minister has mentioned monitoring. Have the Government written to these entities, not just made a statement, to make them aware of their responsibilities? What will the Government do if they are found to bid for these tenders?

Mr Falconer: I have set out the statement we made last year and the intensity of focus we have on these issues. I wrote to the Advertising Standards Authority

following concerns raised in many places, including in this House, about an event some weeks ago, and have indeed engaged with the Charity Commission following concerns being raised.

Dr Ellie Chowns (North Herefordshire) (Green): Frankly, I despair. I have lost count of the number of times that I and others across this entire House have come here to press the Minister to put in place a full ban on settlement trade and the number of times he has prevaricated. I have lost count of the number of times that he has wrung his hands, made statements of concern, expressed worry and condemnation and yet refused to do what he claims he will do, because he has talked about acting with alacrity and using all the leverage we have, and yet he does not. If E1 goes ahead, that will be the death knell for the prospect of the Palestinian state that he, all Labour MPs and so many of us are so proud of this Government for recognising last year. It is, however, worth nothing if he does not follow up with action and use every lever in this Government's power to follow through, to put pressure on the Israeli Government and to ensure that the rights of Palestinians are upheld.

Mr Falconer: The hon. Lady is right: we have had many exchanges across the Dispatch Box. I gently remind her that over the course of these exchanges, I have recognised the Palestinian state; I have sanctioned Israeli Ministers; we have restricted arms sales; and we have led statements repeatedly on these issues. I understand that we are all appalled by the violence that continues, but that does not mean we are not taking the action that we can—

Dr Chowns: You're not doing everything!

Mr Falconer: And no doubt you can set out your own proposals. We have taken repeated actions and will continue to do so.

Madam Deputy Speaker (Ms Nusrat Ghani): “You” and “your”—the best thing to do is always speak through the Chair. That prevents that mistake from happening.

John Slinger (Rugby) (Lab): Building on the question asked by my hon. Friend the Member for Bury St Edmunds and Stowmarket (Dr Prinsley), what more can we in this House and this Government, and other Governments around the world, do to make it clear to those many Israelis who are appalled by the behaviour of this Israeli Government that a two-state solution and a viable Palestinian state are very clearly in their interests, and furthermore that we will do everything in our power to ensure that that state becomes a reality and is safe and secure, just as we want Israel to be safe and secure?

Mr Falconer: Madam Deputy Speaker, let me beg your forgiveness for forgetting the customs of the House—you would think that practice would make perfect.

I thank my hon. Friend for the question. All of us, particularly in election year, need to be reminding all our friends in Israel and all the politicians of the importance of the points that he makes.

Iqbal Mohamed (Dewsbury and Batley) (Ind): All settlers are criminals—not just those who are violent—because they occupy land that does not belong to them. Since the late '90s, successive Governments have called the E1

[*Iqbal Mohamed*]

a red line because it would permanently divide the west bank and destroy the possibility of a Palestinian state. Meanwhile, more than 700,000 settlers now live illegally over 140 sanctioned settlements and 100 unsanctioned outposts in the Occupied Palestinian Territories, and settlements continue to expand while Palestinians continue to be forcibly displaced. The International Court of Justice has made it clear that states must not assist in this unlawful occupation. Is the E1 finally the moment when this Government will match their words with action, or will this simply become another so-called red line that Israel crosses without consequence?

Mr Falconer: I have tried to be as explicit as I can be about the potential consequences, while abiding to the long-standing position on sanctions.

Anneliese Dodds (Oxford East) (Lab/Co-op): I will not ask the Minister to comment on future sanctions designations—I understand he cannot do that. I want to ask him about something different: the scope of the multilateral statement. He will be well aware that the statement did not specify just one type of firm—for example, construction firms; it talks about involvement. Can he confirm that it is the UK Government's view that the scope of that statement, following its wording, is not restricted to construction firms, but could cover, for example, firms financing this? Can he confirm that there is no *prima facie* restriction within that statement?

Mr Falconer: The statement was signed by 11 countries. We all have different arrangements and different tools at our disposal. The British Government's position is that we oppose any involvement of any kind in the E1 settlement. Given the magnitude of the consequences of the E1 settlement, we would consider that in a broad way, not a narrow way.

Mike Martin (Tunbridge Wells) (LD): I think I heard the Minister say a few moments ago that he hoped the outcome of the Israeli election would be a policy more amenable to British Government policy. May I just clarify that he, as a Minister of the Crown, is suggesting that the British Government would like Netanyahu to lose that election?

Mr Falconer: It is obviously not appropriate for me to set out who should win an election in a fellow democracy. What I can set out is British Government policy and what we would wish to see from Israel. We have been very clear over an incredibly long period of time about our views on a two-state solution, about the conduct of the war in Gaza. It is not for us to set out who should win the Israeli election. It is perfectly reasonable for us to set out what we would wish the policy of the Israeli Government to be in relation to these questions after October.

Patricia Ferguson (Glasgow West) (Lab): I thank my hon. Friend the Member for Warwick and Leamington (Matt Western) for securing this question. I, too, attended the visit to Israel and Palestine last month. The scale of the E1 settlement, as has been described, is massive, but just as insidious is the trend, which has been going on for a long time, of Israeli settlements surrounding

Palestinian villages across Palestine and cutting those villages off from vital services such as water and other utilities. Also in the ranks of the insidious actions of the Israeli Government is the fact that they demand that taxation from Palestine must go through Israel and then be repaid to the Palestinian Authority. That money accounts for some 70% to 75% of the Palestinian Authority's revenue. No money has been paid since May 2025, which perhaps explains why they cannot do all the things that the Opposition would like them to do. Is that an area we can put pressure on to ensure that the Palestinian Authority has its own revenue, which it is entitled to, to do its work?

Mr Falconer: I thank my hon. Friend for the question, and I know that she has been a doughty supporter of some of the Gaza students who were relocated to her constituency. She is right to raise the financial pressure that the Palestinian Authority—and the whole of the economy of Palestine—are under as a result of this dispute about correspondent banking. We have raised this repeatedly and will continue to do so. The economic viability of Palestine is vital.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): The E1 zone expansion is a deliberate attempt to do away with any hope of a two-state solution. The FCDO's unit tracking the Israeli Government's breaches of international law was closed earlier this year, in April. I am glad, of course, that the Government recognise the state of Palestine and for the moves they have taken so far, but surely the very least this Government's watching brief can do is to be willing and able to track atrocities of their own initiative and to come to their own conclusions.

Mr Falconer: I am pleased to confirm to the House that the unit was not closed—it was moved. The function remains within the Foreign Office and we still receive assessments. There has been some reorganisation within the Department—I was surprised that excited as much interest as it did—but I can confirm that the function remains and the unit was not closed.

Andy Slaughter (Hammersmith and Chiswick) (Lab): Advice to UK businesses and complaints to Israeli Ministers are not just inadequate but create ambiguities, because they suggest that the UK Government are prepared to speak but not to act. When Netanyahu previously threatened the annexation of parts of the west bank, we made it clear what the consequences would be. Will the Minister do the same now, and say that in the event of any move towards E1, there will be a comprehensive trade and investment ban?

Mr Falconer: I do not think I can go further in response to my hon. Friend than I have already. We have been clear at the highest possible level, in the voice of our Prime Minister, about the seriousness with which we take this issue, the breadth of concern that we have and the consequences that are likely to follow. I cannot spell out those consequences for reasons I have already alluded to, but I reassure him that we treat this with the seriousness that it deserves.

Vikki Slade (Mid Dorset and North Poole) (LD): Yesterday, a group of us met with non-governmental organisations and heard about how the settlers are

physically surrounding Palestinian homes and schools, with properties built on every side of homes, schools and sports pitches, making it impossible for children to get to and from school. In one case, we were told that the only way to reach a school was via the back stairs of a residential property. All the settlements are illegal and we must focus on the building of E1 to prevent expansion. In an election year, the UK has an additional influence on Israelis who also abhor this illegality and violence, so will the Minister consider a full travel ban on all settlers to show that there are real consequences for illegal activity?

Mr Falconer: I have spoken myself to schoolgirls impeded in their day-to-day lives. We have taken four waves of sanctions against settlers, recognising the severity of the situation, and I have been clear that while the situation continues to get worse, we will continue to act.

Dame Chi Onwurah (Newcastle upon Tyne Central and West) (Lab): With every expansion of Israel's illegal settlements and with every horrendous act of settler violence, the prospect of a two-state solution recedes, and my constituents in Newcastle upon Tyne Central and West lose faith in the capacity or the will of the rules-based international order to deliver some measure of justice for Palestinians. The Minister and I have corresponded about what we could actually do in this country, so does he agree that regardless of the technical issues that he has outlined, as a matter of principle, goods from Israel's illegal settlements should not be traded with the United Kingdom?

Mr Falconer: Goods produced in illegal settlements should not be traded with the United Kingdom. We distinguish them clearly from goods produced in green line Israel. I have said repeatedly that no one should benefit from a profit made on land that has been unlawfully procured.

Jim Shannon (Strangford) (DUP): No one doubts the Minister's commitment to bringing about change. Those hon. Members who have consistently stood up as firm friends and allies of Israel recognise its absolute right to defend itself and secure its borders. However, as someone who represents a deeply rural constituency with a strong tradition of family businesses and farming, I know that land is not a political commodity; it is a livelihood. In the E1 corridor, any unilateral land grab will disrupt centuries of agricultural practices and cut off traditional grazing routes. When farming infrastructure and small businesses are dismantled or isolated by expansion, local economies collapse, leaving families with no means of self-sufficiency. Will the Minister take time to convey those concerns to our ally and friend, and ask for immediate reconsideration of this action?

Mr Falconer: The hon. Gentleman makes an important point and raises a concern that many across the House have raised about the huge disruption to long-standing agricultural practices caused by the expansion of settlements.

Andy McDonald (Middlesbrough and Thornaby East) (Lab): The Government have said that they advise British businesses against involvement in illegal settlements,

and this week they warned companies not to bid for the E1 contracts. Given that settlement expansion continues unabated, with properties recently promoted in London, over and above sending in the Advertising Standards Authority, will the Government confirm that they are working with UK regulatory bodies and will ensure that existing sanctions and anti-money laundering and proceeds of crime powers are used to prevent and to punish UK financial and commercial support for and involvement in illegal settlements? We have the criminal powers, so if the Minister wants to take action, will he explain why they are not being used?

Mr Falconer: My hon. Friend asks me about the use of the Sanctions and Anti-Money Laundering Act 2018. That is obviously the basis on which all the Foreign Office sanctions are made. For the reasons that I have set out, I will not say anything further about sanctions from the Dispatch Box. We have done four waves and we have been clear today, as we were last month. In relation to the expo he refers to, I can clarify that it is legitimate to sell real estate within green line Israel in the UK and to advertise that, but it is not legitimate to advertise illegal settlements. That is why I wrote to the Advertising Standards Authority following that expo.

John Grady (Glasgow East) (Lab): Businesses trading with unlawful settlements can be under no illusion that the settlements are unlawful and that the majority of Members of this House view them as utterly morally repugnant. Nor can they be under any illusion that the UK Government's position is that people should not trade with unlawful settlements. I urge the Minister to act swiftly on this and to leave no stone unturned in ensuring that clever legal arguments around retrospectivity—because any measures will come in after the Minister's clear statement—are closed off. Will the Minister consider primary legislation to ensure that those engaging in this morally repugnant trade are closed off, even if they enter into contracts today and legislation is passed in two months' time?

Mr Falconer: I hesitate to commit the Government to primary legislation. The Sanctions and Anti-Money Laundering Act has been sufficient for the four waves so far, but I have heard my hon. Friend's important points.

Danny Beales (Uxbridge and South Ruislip) (Lab): These settlements are not "unhelpful", as the Opposition have claimed today; they are illegal. My constituents and I are horrified by the ongoing settler violence and the expansion of these illegal settlements. In that context, I welcome the Minister's clear condemnation and the further actions he has committed to today. Will he assure me and my constituents that his Department is working with Treasury colleagues to fully map and understand the exposure of UK financial institutions to the financing of illegal settlements, their expansion and trade within them? When his Department and the Treasury understand that, are they committed to taking action against those institutions?

Mr Falconer: I thank my hon. Friend for his commitment to these issues. I know that the people of Uxbridge have raised them with him many times and he has not failed to reflect that to me. We are taking actions in the way

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that I have set out, and I expressed the range of concern that we have about financing for the settlements in my answer to my right hon. Friend the Member for Oxford East (Anneliese Dodds).

Tim Roca (Macclesfield) (Lab): I express my concern about the tone taken by the shadow Minister at the beginning of the urgent question. Netanyahu could not have been clearer about his point of view that there should not be a Palestinian state, and the plans for the E1 area near East Jerusalem are just the continued manifestation of the intention to entirely destroy the viability of a Palestinian state. Taken together with clear evidence of war crimes, it is obvious to all that this Israeli Government are not serious about a sustainable peace for the region. As hon. Members have said numerous times, I fear that Netanyahu is pressing ahead with this in order to shore up his support ahead of critical elections that could see fresh leadership in Israel, which we would all like to see. Will the Minister tell us a little more about what steps he is taking with allies to keep the two-state solution alive? What sanctions and penalties might be imposed should these settlements proceed?

Mr Falconer: I agree with my hon. Friend about the response of the Opposition. This is a particularly critical year. It is critical for us all to engage with the full breadth of Israeli politics and society to encourage Israelis, alongside our allies, that there is a better way for the state of Israel and the state of Palestine, and that will be a focus until that election.

Brian Leishman (Alloa and Grangemouth) (Lab): Since we rightly recognised the state of Palestine, I put it to the Minister that actually nothing has changed. The settlement expansions are ongoing, as are the land grabs and ultimately the ethnic cleansing of Palestinian people. The cultural, economic and educational genocide inflicted on Palestinians carries on regardless.

For years, we have seen what drives Benjamin Netanyahu—what his ultimate goal and ambition is—and that is the eradication of Palestinian people and of Palestine. My fear is that diplomacy once again will fail. What will the UK Government do to stop the eradication of Palestine and the Palestinian people?

Mr Falconer: We will do everything we can. I have set out some of the steps taken so far, and I will not hesitate to return to this House as and when required.

Dr Scott Arthur (Edinburgh South West) (Lab): I hope I am not alone in knowing that the vast majority of ordinary Palestinians and Israelis want peace. As an optimist, I hope that they vote for it when they get the chance later this year in both Palestine and Israel.

It is clear that the consensus here is that this expansion would be a bad idea—it would be illegal and bad for any hope of peace in the future—but what about the existing settlements? How do we consider them? I know that the Minister has talked about trade, but what about their actual existence as a barrier to peace? Are the Government raising that with Netanyahu's Government?

Mr Falconer: We consider those settlements to be illegal, and we are clear with the Israeli Government that that is our position.

Joe Morris (Hexham) (Lab): I echo the concerns of colleagues from all parts of the House on the E1 settlements. If they go ahead, they will clearly destroy the viability of a Palestinian state. That is not a commentary; as has been said, it is a stated aim.

To build on the comments of my right hon. Friend the Member for Oxford East (Anneliese Dodds), may I encourage the Minister to do whatever he can to emphasise to the business community not just in this country, but across the world, that involvement with these settlements is morally bankrupt? The public will not tolerate it, and we need to do everything we can to stop British business being involved in this morally repugnant trade.

Mr Falconer: That was one of the reasons why we set out even clearer business guidance to our own businesses, and I am sure that many others will have taken notice.

Warinder Juss (Wolverhampton West) (Lab): I welcome the Minister's strong condemnation of the annexation of land in Gaza and the west bank. What reassurance can he give to Members of this House that no military components that we have sold to Israel—not just bombs and bullets—have been used in this further illegal settlement expansion?

Mr Falconer: It is important to say that at the moment, the E1 is going through a tendering process. There are not yet spades in the ground, but that is what we must seek to avert. That will be a focus of our diplomacy, as it has been since the most recent announcements by Prime Minister Netanyahu in September 2025 of his intention to go ahead. As many Members have said over the course of this afternoon, we have a window before October, and we intend to use it.

Flood Insurance: Reform of Flood Re

1.43 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Emma Hardy): I welcome the opportunity to update the House on the reforms that Flood Re is announcing today, with the support of this Government. The changes will ensure that Flood Re remains fair, sustainable and focused on those who need it most, while supporting a transition to a more resilient insurance market by 2039.

Flood risk unites Members across this House. We all recognise the devastating impact that flooding has on people and communities and the importance of having access to affordable insurance. That is why this Government have put a record amount of investment into flood protections and simplified the funding rules. This year alone, we have unlocked £1.4 billion to enhance flood resilience across England, funding more than 600 projects and better protecting more than 70,000 properties from the devastating impacts of flooding. Despite that record investment, flooding is an ever-increasing risk.

Flood Re was established to manage a transition to prices that better reflect underlying flood risk and promote the affordability and availability of insurance. Since its launch, Flood Re has been a big success, and it is a strong example of Government and industry working together to address systemic risk—a partnership that started to be strengthened under a Labour Government after the 2007 floods.

Flood Re works by receiving a subsidy paid for by households that buy insurance. That money is used to purchase insurance so that households that would not be able to get insurance in an open market have affordable premiums. However, the context in which Flood Re operates has changed; rising claims, higher reinsurance costs and more properties being identified as at risk are placing increased pressure on the scheme.

We now have a perverse system in which money collected from all insurance customers, from all parts of the country and all income brackets, is flowing to the richest households in the country. That is not fair and needs to change. In three of the last four years, Flood Re has spent more on repairing homes in the most expensive council tax bands of G and H, which make up less than 4% of UK homes, than it has spent on repairing homes in council tax bands A and B, which make up around 45% of homes.

Let me give an example that shows why change is necessary. In 2025 a property near a river was flooded, resulting in a claim cost to Flood Re of more than £3 million. The property had very limited flood resilience measures in place, and the claim covered extensive restoration costs, including a quad garage, an indoor swimming pool, a jacuzzi and gym, a music room and den, a machinery storage unit, an outdoor astroturf padel court, and a five-a-side football pitch.

It is right that all properties are insured, but without reform of Flood Re, we will continue to have a system in which average-income and low-income households are subsidising flood insurance for the richest households in the country. That is why reform of Flood Re is needed—not to set a new policy direction, but to restore it to its original purpose. That is what we are doing.

First, Flood Re will work with insurers to reform its premium model so that support is better targeted. It will aim to make premiums as fair as possible across different council tax bands, regions and areas. Secondly, Flood Re will introduce a cap on the claims that insurers can pass to it, limiting payouts to an agreed level, with insurance companies covering the remainder. That will be worked out with Flood Re and insurers.

Thirdly, I have spoken to people who have lost everything through flooding and have been unable to afford contents insurance, so I am delighted that Flood Re is more than halving the premiums it charges to insurers for contents-only insurance for the 45% of homes in council tax bands A and B to £25 a year from April 2027. This Government are restoring fairness. We are making insurance affordable and helping with cost of living pressure. Finally, Flood Re will improve efficiency, make better use of its resources and reduce reliance on costly reinsurance while maintaining financial resilience.

However, to protect all homes from ongoing flood risk, we need more than just floor insurance and large flood defences; we need individual homes to become more flood resilient. That is why Flood Re will work with insurers and lenders to introduce flood performance certificates, helping households to better understand their flood risk and ensuring that if they take actions to make their homes more resilient, that is reflected in the cost of their premiums. That builds on the work of the recommendations in the “FloodReady” report. Flood Re will also strengthen incentives for Build Back Better, a UK home insurance sector initiative that, instead of simply restoring a home to a condition exactly as it was before, allows an additional £10,000 as part of the insurance claim to improve the flood resilience of the home.

These reforms will be implemented from 2028, with the reduction in contents premiums for council tax bands A and B taking effect from April 2027. Flood Re will keep the scheme’s eligibility criteria under review, including how it applies to leaseholders.

Under this Government, more homes are better protected from flooding than they were when we came into government. Our country will become more resilient to flooding as homes are incentivised to take action with flood performance certificates, and the 45% of people living in average-income and low-income households will be able to afford to protect their homes from the devastation of flooding. That is the difference that a Labour Government make, and I commend this statement to the House.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the shadow Minister.

1.49 pm

Sir Ashley Fox (Bridgwater) (Con): I thank the Minister for advance sight of her statement, and for our recent conversations about flooding in Somerset.

Flooding is a huge challenge for areas across the country. Some 6.3 million properties in England are currently located in areas that are at risk of flooding, including many in my constituency. When floods occur, the Environment Agency, local volunteer groups and farmers work to help people quickly, often in difficult circumstances. I was humbled and deeply proud to see the way the community pulled together in affected areas during the flooding earlier this year, particularly in

[Sir Ashley Fox]

Moorland and Fordgate. The Minister knows how seriously I take flooding, and has engaged with me following my requests for stronger national support, clearer local responsibilities, more dredging and improved pumping capacity.

The previous Conservative Government took real action to prevent flooding and protect homes and businesses, ensuring that over 600,000 properties were better protected from flooding and coastal erosion. Between 2015 and 2024, over 900,000 acres of farmland were also protected. In 2020 the previous Government announced a doubling of capital funding for flood defences in England, which rose to £5.6 billion from 2021 to 2027.

Flood Re was set up under the former Conservative Government, and it remains an important scheme to promote the availability and affordability of flood insurance for eligible homes. Its recent accounts report contains serious warnings for Ministers. Flood Re is clear that

“the external environment has changed materially, with higher climate-driven loss volatility, tighter global reinsurance capacity and greater pressure on affordability.”

It says that the scheme is now retaining higher levels of risk and facing “increased liability exposure”. At the same time, Flood Re warns that the scheme is under structural pressure. Its board has said that improved flood mapping has led to

“more properties being classified as high risk...including a growing number of higher-value homes”,

and that without change, the scheme risks being asked to carry

“unsustainable levels of exposure and cost.”

As such, will the Minister please explain what steps she is taking to ensure that Flood Re’s growing pressures do not result in additional costs for households through higher insurance bills? Will Ministers bring forward a credible, long-term flood resilience plan? Do the Government have plans to include businesses in Flood Re? What assessment has the Department made of the impact of these changes on households that are asset-rich but income-poor, including pensioners living in higher-band homes in flood risk areas? In her statement, the Minister said that Flood Re would reform its premium model across council tax bands and regions. Will she publish the modelling behind those changes, including regional impacts, so that households can see what this means for them? Flood performance certificates may help households understand risk, but will the Minister confirm who will pay for them? Will they be mandatory, and will they affect mortgage availability?

Flood Re has done valuable work, but households continue to need affordable insurance. They also need a Government who are serious about flood prevention, resilient homes, and long-term protection for communities. Conservative Members will always work with the Government to ensure that every person living in a property that is vulnerable to flooding gets the support they need.

Emma Hardy: I thank the hon. Gentleman, and I recognise his commitment to flood protection. He referenced our meeting, at which we discussed the £50 million that we are putting into Somerset because

of its particular landscape and challenges. He is right to highlight the accounts that Flood Re has produced; without reform or change, we would be in a poor situation. Flood Re has been an amazing success, but to continue for the next 10 years, it needs to change. That is why we are introducing the changes that I have mentioned: targeting those who most need support by introducing a cap, making contents cover cheaper for lower council tax bands, and the work on the premium model. One of the other changes, which is probably not as eye-catching, is allowing Flood Re access to some of its trapped capital to make reinsurance costs cheaper. All of the reforms that Flood Re is introducing are intended to ensure that it is sustainable and keeps going.

Turning to continued support for flood protection, the hon. Gentleman will know that we have put the most money into flood protection of any Government ever, with £10.5 billion committed for the next 10 years. There are no current plans to include businesses because, as I said, Flood Re works by levying every insurance company; if we were to include businesses, we would be levying every business in the country to pay for it. For people in the top council tax bands, we are looking at flood performance certificates, so that if they can take action to improve the resilience of their home, that will be reflected in their premiums. We are doing some pilots, and I have been pushing insurance companies and others to get those pilots out the door as quickly as possible. We are not just looking at the top council tax bands; we are also looking at people in social housing to see how flood performance certificates could work.

As for when these changes are going to take place, contents insurance changes will take effect from 2027, but the cap will be from 2028. Up until that period, Flood Re will be carrying out extensive engagement with insurers and other people to make sure they are setting affordable limits. This is all about ensuring that Flood Re is there for the next 10 years.

Paula Barker (Liverpool Wavertree) (Lab): I thank the Minister for her statement. The vital importance of protecting and insuring people against flooding is highlighted by the case of my constituents who live next to Thingwall allotments, where extensive surface water flooding has blighted their lives for four years. Residents of Abbeystead Road have been forced to continually use flood sacks, sandbags and pumps to protect their homes, and gardens have become unusable. I am particularly concerned about the welfare of elderly constituents in poor health and families with children. Despite my representations over the past four years, Liverpool city council and United Utilities have not resolved the issue; instead, the council is sending tankers to pump out the water, at what must be considerable cost. I have written to the Minister, and although I know she is extremely busy, will she meet me, residents, Liverpool city council and United Utilities to find a resolution once and for all?

Emma Hardy: My hon. Friend is right to highlight how difficult it is for people to continually have to take action, especially elderly people, as well as the mental health impact of thinking they are going to have to do something to try to protect their home every time it rains. I would be happy to help convene a meeting with all the relevant parties.

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

Zöe Franklin (Guildford) (LD): I thank the Minister for advance sight of her statement.

We Liberal Democrats support the Flood Re scheme and the protection it provides, but we are concerned that the package still risks falling short in a few ways. We agree that it cannot be right for lower-income households to subsidise the most expensive properties. Targeting support more fairly is overdue, but fairness must also mean reducing costs at source, which means a far stronger focus on prevention. We are still spending billions reacting to floods rather than systematically reducing risk. Flood Re's future must be tied more clearly to resilient homes, sustainable drainage, and a planning system that stops putting people in harm's way in the first place. That includes progressing schemes such as Guildford's flood alleviation scheme more quickly through greater Government support, which would protect homes and unlock sustainable brownfield development. Without doing this, we are merely rearranging who pays for failure.

The proposals on flood performance certificates and Build Back Better are welcome, but they remain incremental. We need a step change—embedding resilience upgrades as standard, ensuring that insurers reward households that act, and bringing lenders fully into the framework. Serious gaps also remain: millions are excluded from Flood Re, including many leaseholders and those in homes built after 2009. If we are serious about fairness, those gaps must be addressed.

Finally, the transition to a risk-reflective market by 2039 cannot simply mean a cliff edge and higher premiums for those most exposed. Reform is needed, but it must be matched by ambition. Fairness, resilience and prevention must go hand in hand.

Emma Hardy: The hon. Lady is quite right to say that we need to take action on the risk of flooding. That is why this Government are putting the most money into flood protection and taking action against flooding of any Government ever. In our first year in government, we delivered 151 flood schemes, better protecting more than 24,000 homes; that was after we put £108 million into maintenance to restore and repair our flood defences, many of which were in a poor condition. We are also putting £300 million into natural flood management—again, the most money any Government have ever put in. We have put in another £30 million for coastal adaption, and we have reformed the flood funding formula to ensure that it gives proper weight to deprivation, so that the communities that are most affected by flooding and least able to recover have more support. Total funding for internal drainage boards is £91 million, so I think we have ticked the box for “Have this Government put their money where their mouth is when it comes to protecting our country from flooding?”

We have not only done that; we are also looking at sustainable urban drainage systems and at introducing flood performance certificates, so that we can reward homes that have become more resilient to flooding. We are also looking at a fundamental change to how we address resilience and flooding as a country. When flooding happens, the people who go out there and do the work in the communities—whether local people, the

Environment Agency or all the emergency services—deserve our absolute support, because the only thing I cannot protect this country against is climate change.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the Chair of the Environmental Audit Committee.

Mr Toby Perkins (Chesterfield) (Lab): The 500 households in Chesterfield that were flooded during Storm Babet, almost all of which were in council tax bands A and B, will welcome the Government's intention to make sure that this scheme remains sustainable. It is important to remember that flood victims are just that—victims. They are not the cause of their problems; they are victims of our global failure to take the requisite steps on climate change, and of previous Governments' and the water industry's under-investment in flood protection. The example that the Minister raised is obviously ridiculous, and there is a need for those at flood risk to take the action they can to protect their houses. What assessment have the Government made of how many households will see increases in their premiums as a result of the steps being taken? Can the Minister assure us that households will not be unable to get insured, leaving us in the position we were in before Flood Re existed?

Emma Hardy: I know how much my hon. Friend cares about this issue. Indeed, we have visited some of the areas in his constituency that have been flooded. I remember the devastating loss in his constituency prior to the election; he was out there on the frontline, helping to lead some of the flood recovery work.

On the impact of this change, we need to work carefully with insurers on Flood Re. We have said we will introduce the cap by 2028 to enable them to have the time to work through things carefully and properly. It is about fairness. Council tax bands G and H represent 4% of properties, yet they make up 20% of claims on Flood Re. We want to make this change in conjunction with insurers. Piloting the flood performance certificates will be so important, and that has to be done hand in hand with people. We want to incentivise people by saying, “If you take action to improve your home and make it more resilient to flooding, you will be rewarded with lower premiums.” We are trying to encourage people to do the right thing where they can, while recognising that there are people at other end of the scale—some of the people we have seen in my hon. Friend's constituency—who are simply unable, for various reasons, to take action to improve the resilience of their own property. It is all about keeping things in balance.

Dame Harriett Baldwin (West Worcestershire) (Con): In West Worcestershire we have the River Severn, the River Avon, the River Teme and many brooks, so flooding is a perennial issue. Over the years, we have built many new flood defence schemes. I thank the Minister personally for her role in the Severn Stoke scheme, which is currently under construction. Unfortunately, the Tenbury Wells scheme has been cancelled, and there will be individual property-level resilience in that town. Does the Minister have any advice for the town council, which is unable to get any insurance now? Will she consider changes to the Flood Re scheme to enable properties that have benefited from flood resilience measures to get access to Flood Re for their insurance?

Emma Hardy: I am pleased to be responding to the hon. Lady, because I think that the very first Adjournment debate I had as a Minister was with her and it was about flooding. It is nice that whenever I make a statement about flooding, I already know who will be in the room. I commend her on her tireless campaigning on this issue and the commitment she has shown to her constituents. I have been pleased to go and see those property flood resilience measures and the difference they have made to communities. Flood performance certificates will be piloted, and those communities are an example of where householders have taken measures—albeit in this case through the Environment Agency—to better protect their homes from flooding. When people do that, it should be reflected in their premiums, and there is not currently a way to do that. The system looks at postcodes and areas, and gives people a premium on that basis, but we want to make it more intelligent, so that it can recognise if someone has made their home more resilient to flooding—that should mean that they have cheaper premiums.

Lee Pitcher (Doncaster East and the Isle of Axholme) (Lab): The Minister will be aware that I spent most of my career supporting the most vulnerable people in communities that had been flooded, and helping them to find ways to support their mental health. It is not unknown for many of them to have post-traumatic stress disorder post floods. That can be brought on by a number of triggers, including the sound of rain on the window or the anxiety of worrying about being able to insure a house post floods. The reduction of contents-only insurance to £25 a year for bands A and B will be transformative. Does the Minister agree that it will make such a difference in helping lower-income households and in ensuring that Flood Re protects the things that matter most to people?

Emma Hardy: I pay tribute to my hon. Friend, because before he was elected as a Member of Parliament, he was running part of the Living With Water project in my constituency, which looked at bringing together the Environment Agency, Yorkshire Water and the council to create more sustainable urban drainage to improve resilience to flooding. He played a tremendous role and has made a real difference to many people's lives. I share his delight that Flood Re is more than halving the premiums it charges insurers for contents-only insurance for the 45% of homes in council tax bands A and B to £25 a year. That will make a real difference to people's lives, making insurance more affordable for everybody.

David Simmonds (Ruislip, Northwood and Pinner) (Con): I commend my hon. Friend the Member for Bridgwater (Sir Ashley Fox) on his clear response to this statement. My constituents in Brook Drive, Ruislip and all across the floodplain of the River Pinn are very interested in this issue, so I will ask the Minister two questions. In a borough where a tiny fraction of properties are in bands A and B, there is a risk that this change means that the cost of insurance will no longer be priced based upon the risk incurred at that property, but upon its council tax band. That risks shifting the provision from being a premium to simply being a tax based on the value of a property, which clearly would not be welcome and was not the original basis of Flood Re. Can she give the House a clear assurance that the claims experience data gathered by Flood Re will then

be used by colleagues across Government to feed into such things as planning regulations, so that flood resilience can be built in to homes in the future?

Emma Hardy: The original purpose of Flood Re was to make flood insurance affordable for people who otherwise would not be able to access affordable insurance on the free market. This is not new policy, but returning Flood Re to the purpose for which it was created.

Joe Powell (Kensington and Bayswater) (Lab): I welcome the focus on supporting low and middle-income households. The Minister will know that after the July 2021 floods in central London, denial of flood insurance or punitive excesses for people living in blocks of four or more flats has been a serious problem. That is a big chunk of my constituents. They cannot access Flood Re, because those properties are treated as commercial premises. What plans does the Minister have to address this issue?

Emma Hardy: My hon. Friend raises an important point. We are continuing to work with the Government, the regulator and industry to review the scheme eligibility criteria, including considering options to better support leaseholders.

Steff Aquarone (North Norfolk) (LD): Flood Re does need change. However, the Minister has not announced a key change that would make a difference for thousands of households in my North Norfolk constituency: establishing a “Coast Re” scheme for those homes at threat of erosion. They find themselves at huge risk and have no financial backing if the worst happens and they lose their home. My call is supported by the cross-party report of the Environment, Food and Rural Affairs Committee. There is not much coastal erosion in Manchester, but can the Minister please make a pitch for “Coast Re” with her new boss in the coming weeks?

Emma Hardy: I thank the hon. Gentleman and the EFRA Committee for their work. He will have heard our commitment to the £30 million coastal fund, which is looking at what we should do about managing coastal erosion and the risks of coastal flooding.

Matt Rodda (Reading Central) (Lab): I thank the Minister for her statement, and I welcome the work to make the scheme fairer and more sustainable. Can she say a little more about the measures under way to encourage rewilding, the planting of trees and other measures further upstream in river catchments, as well as measures to encourage all landowners to behave responsibly and to stop temporary dams from building up under culverts, bridges or in other locations where localised flooding might otherwise happen?

Emma Hardy: My hon. Friend knows that I share his love of nature-based solutions and natural flood management, so he will be as delighted as I am that we are putting a minimum of £300 million into natural flood management under our current plans.

Sarah Bool (South Northamptonshire) (Con): I think this is an important moment for us to remind all our constituents to check their insurance policies and make sure that they have sufficient cover, but on a practical note, may I ask whether the Minister expects the flood protection certificates to have the same status as energy performance certificates? Obviously that encourages

improvement, but there may be a problem of stranded assets. I just want to be sure that we have thought about the impacts on the housing market and on social mobility.

Emma Hardy: The hon. Lady is quite right. People should not only check their insurance to make sure that it covers everything, but check to ensure that they are covered for Build Back Better, because not every insurance company offers that cover at this moment. We will be piloting flood performance certificates as soon as possible, and as soon as they are ready I will be more than happy to update the Environment, Food and Rural Affairs Committee with more details of exactly how this will work and where.

Danny Beales (Uxbridge and South Ruislip) (Lab): There were serious floods in Ruislip Gardens in 2024, which I have discussed with the Minister before; 100 homes were flooded, and access to ongoing affordable insurance was a major concern for many residents. Part of the flooding review recommended improved individual householder resilience measures, and I welcome some of the measures announced today to incentivise that—such as the flood performance certificates—but according to feedback that I have received, it can still be very expensive for cash-poor individuals to fund them up front. What options are being explored for access to affordable finance, and what other measures are being considered that might make this possible?

Emma Hardy: I well remember very well my hon. Friend raising the issue affecting his constituency. Let me reassure him. The flood performance certificate pilots will include social housing and lower-income communities, as we recognise that some will need support to increase their resilience. We are piloting the certificates across a range of different homes so that we can gather that intelligence before we decide what further steps to take.

Adam Dance (Yeovil) (LD): Ilminster residents, like Krystal, who have houses on floodplains tell me that they cannot obtain insurance, although people living up the road can. The Minister has confirmed that the eligibility criteria remain under review. Will she commit to reviewing the exclusion of homes built after 2009, and will she also undertake to make the whole process fairer, so people like Krystal, throughout my constituency, can obtain affordable insurance?

Emma Hardy: I recognise how difficult it is when people cannot afford insurance. There are no current plans to look at homes built after 2009, but of course the Government always keep everything under review.

Rachael Maskell (York Central) (Lab/Co-op): The Government have invested £45 million in flood defences in York. That will provide resilience until 2039, which coincides with the ending of the Flood Re scheme. It is important for us to think about how, in the longer term, we will support people with that risk-sharing approach. Will the Minister also consider and consult on the position of leaseholders, who are excluded from the scheme although they have responsibility and pay the costs for their own personal buildings?

Emma Hardy: I thank my hon. Friend for recognising the money that we are investing in York, not least owing to the formidable campaigning that she has undertaken

for a long time, and also for identifying the need to look at the longer term. Of course Flood Re will continue to look at eligibility to ensure that it is acting according to the principles on which it was set up, to ensure that there is affordable insurance for all who need it.

Adrian Ramsay (Waveney Valley) (Green): I welcome the work of Flood Re. Later this month, I will be hosting its Floodmobile in my constituency, where 13% of properties are already at risk of flooding. However, according to experts at Flooded People UK, our capital spending on flood defences and maintenance is not at record levels; in fact, it is actually lower than the annual rates in the previous capital spend. Will the Minister commit herself to protecting households in all our constituencies, and to increasing the spending commitments above the level in the 10-year infrastructure plan?

Emma Hardy: I do not recognise the figures that the hon. Gentleman has given. This Government have put more money into flood protection than any other Government on record: that is an absolute and indisputable fact. However, I do hope that he has a great time when the Floodmobile visits his constituency. It is fantastic, and demonstrates real, practical examples of ways in which people can take action to improve their flood resilience.

Sarah Champion (Rotherham) (Lab): Residents of Catcliffe and Treeton in my constituency have suffered two devastating floods in the last decade or so. That means that, even if people are eligible for insurance from Flood Re, it is extremely expensive, and in some cases prohibitive. Can the Minister reassure us that that will not apply to, in particular, low-income householders, and that they will be able to obtain insurance? Let me finally put on record my gratitude to the volunteer flood wardens who, every time it rains, try to keep their communities safe.

Emma Hardy: I echo my hon. Friend's gratitude to flood wardens and volunteers all over the country, and I know how much this issue means to her. I am delighted that Flood Re is halving the premium that it charges for contents-only insurance for the 45% of homes in council tax bands A and B. It will be reduced to £25 a year from April 2027, which will make a huge difference to the cost of living.

Max Wilkinson (Cheltenham) (LD): Might the Minister be able to say a few words about the increased number of flooding episodes in urban areas, especially those containing basement flats? My constituent Jackie ended up being done by her insurance company because its representatives could not make up their minds whether it was a storm or a flood. There was too much small print. The ombudsman could not stand up for Jackie, and she ended up £2,500 in the hole. I wonder whether Ministers could remind insurance companies of their duty not to lead people up the garden path, and to pay out when they should.

Emma Hardy: The hon. Gentleman is absolutely right: flood insurance companies should behave with integrity towards their customers. If he would like me to follow that up with the Association of British Insurers, I would be happy to do so.

Jenny Riddell-Carpenter (Suffolk Coastal) (Lab): I welcome the statement, and thank the Minister for her work. She has rightly observed that people are more likely to be at risk of flooding because of climate change, and that also brings with it a greater risk from coastal erosion. As she will know, my constituency lost 11 homes over the winter because of coastal erosion, which is set to put even more homes at risk over the years and decades ahead. In our report, the Environment, Food and Rural Affairs Committee recommended the extension of Flood Re to Coastal Re. Will the Minister comment on that recommendation, and commit herself to looking at it further?

Emma Hardy: I know how difficult the loss of those homes has been for the hon. Lady and her constituents. Losing one's home because of coastal erosion must be devastating. There are no current plans to consider Coastal Re, but, of course, Flood Re keeps eligibility criteria under review.

Calum Miller (Bicester and Woodstock) (LD): In September 2024, my constituency experienced a month's worth of rainfall in 36 hours, which led to the inundation of many homes. A constituent in Woodstock has described how her house and her annexe—into which she had poured her pension to convert it to a holiday let—were inundated. She is now unable to obtain any kind of insurance, including Flood Re insurance. She wrote this to me:

“ I am terrified to think about any rainfall that could damage my home and business again.”

Will the Minister look at that case, and at Flood Re eligibility for those at risk of surface flooding—as distinct from river flooding—and those whose business premises abut their homes?

Emma Hardy: The hon. Gentleman is right to raise the concern about surface water flooding, which, owing to climate change and flash flooding, is becoming a greater risk than it ever was in previous years. As I have said, there are no current plans to look at businesses, but it should be possible for domestic properties to be covered by Flood Re. However, if the hon. Gentleman wants to write to me about this, he can of course do so.

Josh Fenton-Glynn (Calder Valley) (Lab): I thank the Minister for her statement and for her ongoing commitment to flood defences—both the natural flood management in which organisations such as Slow the Flow in my constituency specialise, and the more traditional types that have just been signed off for the town of Hebden Bridge.

More than half the homes in Calder Valley are in council tax bands A and B, and many of their residents live with the risk of flooding. In my community, the memory of the devastating Boxing Day floods in 2015, followed by those in February 2020, still loom large in people's minds, and cause a great deal of anxiety. The lowering of the flooding element of their household insurance to just £25 will make a real difference to families with modest incomes. What practical steps will the Government take to encourage people to take up that offer, and to ensure that they understand what changes have been made?

Emma Hardy: I absolutely love Slow the Flow, and I made a delightful visit to my hon. Friend's constituency to look at the flood defences there. The halving of the contents-only flood element to £25 will make a huge difference to the cost of living. Flood Re policies should be automatically ceded by the insurance companies, and that should be clearly communicated. I am encouraging Flood Re and the insurance companies to ensure that communication is as clear as possible so that people know exactly what their rights are, particularly when it comes to accessibility to Build Back Better.

Vikki Slade (Mid Dorset and North Poole) (LD): Walford Mill Crafts and Little Pickle at the Mill, the café, in Wimborne were under water in the aftermath of storm Chandra, but although it was a named storm, no flood recovery grants were available. Flood Re does not cover them, and flooding is excluded from their policies. Will the Minister consider action for commercial buildings such as Walford Mill so that they can continue their education work, protect the creators who work there and support their community—if not through Flood Re, by extending flood recovery grants to all named storms?

Emma Hardy: The hon. Lady raises an important point, and I absolutely recognise the impact that flooding has on businesses. Through the floods resilience taskforce, we have been looking at the various grants that are available. As she will know, that sits within the Ministry of Housing, Communities and Local Government, but conversations are happening across Departments.

Julia Buckley (Shrewsbury) (Lab): In Shrewsbury, we regularly suffer flooding along the River Severn and Rea brook, so I really welcome today's announcement. The measures proposed reflect the common-sense and long-term solutions that my colleagues and I set out in the Environmental Audit Committee's report on flooding resilience. We gave feedback from residents and businesses that insurance is not just unaffordable but, in some places, impossible to get. We requested that funding be prioritised for prevention, preparedness, mitigation and adaptation, rather than simply paid out each time floods hit, so it is so welcome to hear today that the long-term approach is that we will have flood performance certificates and Build Back Better, which will provide extra money not just to repair people's homes post flooding, but to make them resilient against future floods. That is a much more effective use of public money, and provides longer-term support. It is great news for my residents, but what advice can I give to a business that has the same postcode and the same flood risk as others, but which is being quoted £40,000 for flood insurance?

Emma Hardy: I recognise the work that my hon. Friend has done on this issue through the Environmental Audit Committee. Although businesses are not eligible for Flood Re, the record amount of money that we are putting into flood defences should help to make flood insurance more affordable right across the country. Exactly as she says, building resilience and preparedness is what makes a difference, as well as insurance companies paying out every time there is a flood. We need to make our country more resilient, and that is a huge focus of the work I am doing.

Freddie van Mierlo (Henley and Thame) (LD): The Minister has rightly spoken of the flood resilience grant scheme, which is an important scheme, but residents of Wheatley in my constituency found out in September 2024 that they were ineligible for grants, because 2,000 homes need to be flooded before payments are triggered. That fundamentally disadvantages rural areas, because many villages will never reach the threshold, even if the entire village is flooded. That is really unfair and advantages urban areas over rural areas. Will the Minister look at that with Cabinet colleagues, so that we can better support rural areas?

Emma Hardy: As the hon. Gentleman will know, that particular scheme is supported by MHCLG. However, we have been having conversations about the best way that we can support people collectively as a Government in the floods resilience taskforce.

Michael Payne (Gedling) (Lab): I thank the Minister for her statement and for her clear passion for this work. I welcome the reforms to ensure that the Flood Re scheme remains sustainable and financially viable in the medium term, and the £25 cap on flood excess for contents insurance for band A and band B properties will be particularly important to those who can least afford to be affected by flooding.

However, the Minister knows that investment in flood defences is the only way to transition to a fully resilient system by 2039. Residents in Woodborough in my constituency will welcome the reforms, but what they really want to see is investment in a Woodborough flood alleviation scheme, which is long overdue. Will the Minister commit to working with me to ensure that Woodborough receives its fair share of the £1.4 billion investment in flood defences next year? Will she also join me in paying tribute to the Woodborough Flood Action Group, which does outstanding work in protecting Woodborough village in my constituency?

Emma Hardy: I would be delighted to pay tribute to Woodborough Flood Action Group for tirelessly working to protect the local community. My hon. Friend is a formidable champion of his area, and I commend him for raising this issue with me again. It is a very exciting project, and I hope to be able to visit it at some point.

Richard Foord (Honiton and Sidmouth) (LD): A Government consultation on changes to the planning system closed on 10 March. It included consulting on weakening flood protection in planning guidance, which could lead to greater house building on land prone to flooding. To avoid the need for new insurance schemes such as Flood Re, which supports people after their homes have been flooded, the Government should seek to prevent house building in areas subject to flooding in the first place. When will the Government respond to the consultation that closed on 10 March?

Emma Hardy: As I am sure the hon. Gentleman knows, that is a question for MHCLG, not DEFRA. However, we work closely with MHCLG to make sure that the homes that we desperately need in this country are built in areas that are not prone to flooding, and do not contribute to flooding elsewhere.

Points of Order

2.24 pm

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): On a point of order, Madam Deputy Speaker. On 15 October 2024, the former Secretary of State for Health and Social Care, the right hon. Member for Ilford North (Wes Streeting), said:

“This Government are committed, as we were in opposition, to doubling the number of medical school places.”—[*Official Report*, 15 October 2024; Vol. 754, c. 683.]

On 22 April 2026, in a Westminster Hall debate, the current Minister for Care, the hon. Member for Aberafan Maesteg (Stephen Kinnock), said:

“Yes, it is still our intention to double the number of medical school places.”—[*Official Report*, 22 April 2026; Vol. 784, c. 134WH.]

However, on 27 April, some five days later, the Minister for Care issued a somewhat bizarre ministerial correction. He said:

“The Government have never committed to doubling medical school places.”—[*Official Report*, 27 April 2026; Vol. 784, c. 3MC.]

Given what was said by so many Ministers before the election, and by the former Secretary of State at the Dispatch Box, how can that be accurate? I raised this issue with the Minister for Secondary Care, the hon. Member for Bristol South (Karin Smyth), in the Health Bill Committee last week, but there has still been no response. How can I establish whether that is still Government policy?

Madam Deputy Speaker (Ms Nusrat Ghani): The hon. Member is an experienced parliamentarian and will know that I am not responsible for the Government's policy position—if only I were. She will know that there are many ways in which this issue can be pursued with Ministers, and the Clerks and the Table Office are also available to advise her. No doubt those on the Treasury Front Bench will have heard her and will ensure that she gets a response in due course.

Josh Newbury (Cannock Chase) (Lab): On a point of order, Madam Deputy Speaker. I seek your guidance on how we can ensure that all Members of this House observe the courtesy of letting other Members know when they will be in their constituency. Last Friday, the hon. Member for Ashfield (Lee Anderson) was a keynote speaker at a Reform UK fundraiser in my constituency. I hear that tickets were selling for as much as 30p, but unfortunately he neglected to let me know that he would be in Cannock Chase. I am sure that Members who have served in this House for as long as he has will be well aware of that courtesy, but I seek your advice on how he might be reminded.

Madam Deputy Speaker: All Members should be familiar with the convention that they should inform colleagues in advance whenever they intend to visit another Member's constituency. As the guide to the rules of behaviour and courtesy states,

“failure to do so is rightly regarded by colleagues as very discourteous.”

I hope that if colleagues fail to observe these courtesies an apology is forthcoming.

Medical Services (Rural Areas)

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

2.27 pm

Ben Maguire (North Cornwall) (LD): I beg to move,

That leave be given to bring in a Bill to require the Secretary of State to prepare a strategy for expanding the provision of Minor Injuries Units and Urgent Treatment Centres in rural areas; to require the Secretary of State to report to Parliament annually on the implementation of the strategy; and for connected purposes.

Since my election as North Cornwall's MP almost two years ago, I have worked on far too many cases with constituents who face huge barriers in accessing healthcare. The first is the issue of getting to hospitals and healthcare centres. Bus services in my constituency are few and far between, to put it mildly, and the transport network lacks direct bus services from every single one of my major towns to their nearest district hospitals. Bude to Barnstable hospital is a five to six-hour round trip involving three buses. Bodmin to Treliske is a four-hour round trip involving two buses and a lengthy train journey. Launceston to Plymouth is a four-hour round trip involving three buses. Wadebridge to Treliske is a five-hour round trip, and Camelford to Treliske is a six-hour round trip. That is not to mention the many villages across North Cornwall that have even worse bus connectivity.

To access her 20-minute chemotherapy appointment, one constituent was forced to travel from Bude to Derriford hospital, which is a three-hour round trip, even by car. She did that journey every day for three weeks. Another constituent undertook a 120-mile round trip to Tiverton last week, only to be told that the appointment had been cancelled when she got there. The hospital told her that this was down to staff shortages due to sickness, but why was there no adequate cover in place for vital appointments?

Staff shortages due to sickness caused major problems for my constituents in Launceston last summer when, during the peak tourist season, those shortages caused the town's minor injuries unit to close its doors. The "shortages" were just one staff member being off sick. The remaining staff were then distributed to other MIUs, none of which I would describe as being nearby, leaving my constituents and North Cornwall's visitors travelling much further to access minor injury treatment—that is, if they were able to travel at all. Many told me that during that time, they had vital aid administered at home, instead of being seen by a healthcare professional.

My constituents have also urged me to raise the issue of the lack of dementia care. Despite having one of the oldest populations in the UK, Cornwall sadly ranks among those with the lowest capacity for dementia care, due to its lack of specialist care home beds and community support. Despite being one of the worst affected areas, Cornwall has less than half as many specialist care home beds per 100,000 people as Surrey, even though about one in three people in Cornwall are over the age of 70.

On a personal note, my grandmother suffered from dementia towards the end of her life, and my father and I shared her care in her final years. Through this experience, I saw at first hand how dedicated the care home and medical staff were, but also how dangerously overstretched they were. Had I not gone in to feed her every evening,

she would not have eaten. For dementia patients interacting with the rest of our creaking health system, the situation gets even worse. One constituent with advanced dementia fell and sustained a head injury. After an hour-long journey to the nearest major hospital, he was forced to wait outside in an ambulance for over eight hours. During this time, he was brought in for an assessment and then taken back outside again. As night fell, he became more confused and more agitated, and his family had no choice but to take him home to Launceston, without blood tests, and without confirming the suspected brain bleeding, and with no testing and no treatment.

On the subject of waiting times, those suffering from mental health issues in Cornwall can be stuck on referral waiting lists for months and months. When they reach crisis point, their options are limited. Some attend their local urgent treatment centre or MIU. In rural areas like mine, people can be extremely isolated, and their mental health can really suffer. Our farmers in particular face a mental health epidemic. In Cornwall, mental health patients can be sent from one end of the duchy to the other, or even to the other end of the country. They are often driven miles and miles from their family and support systems, and are isolated even further. One constituent who attended my surgery just last week had waited 313 days for accommodation back near his family. I urge the Government to ensure that rurality is factored into their ongoing mental health consultation, as part of the 10-year health plan commitment.

I come to one of the most pressing issues for my constituents of all ages: the total lack of NHS dentists in North Cornwall. This massive issue puts huge strain on our major hospitals, but it also has a serious knock-on effect; patients visit their local MIU with serious dental problems. That is not to mention the huge pressure on A&Es, if patients can get to one. In the strategy required by this Bill, I would ask the Government to address the chronic lack of NHS dentistry in rural areas. We know that the NHS dental contract needs urgent reform, but will the Government also look at stopping integrated care boards handing back unused ringfenced funding, such as the unspent £1.2 million recently handed back by the Cornwall ICB?

All the issues that I have raised affect thousands of my constituents. They have paid their taxes and national insurance contributions for decades, and they have put their faith in a national health service, but they have been very badly let down when they most needed support. What I have described sounds like the sort of access to healthcare that would shock us if we were looking at a third-world country, but sadly this is the reality that my constituents face, and there is seemingly no help on the way on healthcare transport. Both the Government and Cornwall council regularly tell me that there is no money available for any more buses, even if routes are a matter of life or death.

Of course, I recognise the absolutely incredible and tireless work of our nurses, doctors and other staff at our hospitals and medical facilities; I want to make that clear. They work in incredibly stressful environments, and with stretched resources, dealing with patients who have been let down by the system. However, this Government must put in more effort on the recruitment and retention of MIU staff. That must include expanding the provision of key worker housing for MIU nurses. The lack of that housing seems to be a key reason why

Cornwall is failing to attract a workforce, and it further exacerbates our problem of closure due to constant short-staffing.

Our local GP surgeries also experience enormous pressure during MIU closures. The Minister for Secondary Care, who is in her place, has helped me and my constituents to finally secure a desperately needed new GP surgery building in Bodmin, but unfortunately the battle continues, and I will come back to her for further assistance with that.

We have needed help, funding and more support in North Cornwall for decades, but we have not just sat by and waited for it. Our amazing volunteers and their excellent initiatives have demonstrated that we can offer real value for money and great healthcare outcomes, even compared with more urban areas. Barry Cornelius runs a pioneering healthcare transport system, and Cym Downing and many others run amazing memory cafés. The mental health charity Man Down provides excellent mental health services, and countless other charities, staffed by incredible volunteers, fill in the service gaps.

To end, I would ask the Government to set out for my constituents in writing how they plan to ensure minimum staffing levels at MIUs and urgent treatment centres in rural areas like North Cornwall. I ask the Government to let my constituents know exactly how they will expand the provision of medical facilities in the rural areas that need them most. I commend this Bill to the House.

Question put and agreed to.

Ordered,

That Ben Maguire, Andrew George, Steff Aquarone, Mr Joshua Reynolds, Ian Roome, Edward Morello, Rachel Gilmour, Dr Danny Chambers, Layla Moran, David Chadwick, Freddie van Mierlo and Charlie Maynard present the Bill.

Ben Maguire accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 16 October, and to be printed (Bill 108).

SUPPLY AND APPROPRIATION (MAIN ESTIMATES) BILL

Motion made, and Question put forthwith (Standing Order No. 56), That the Bill be now read a Second time.

Question agreed to.

Bill accordingly read a Second time.

Question put forthwith, That the Bill be now read the Third time.

Question agreed to.

Bill accordingly read the Third time and passed.

TAXATION (ENERGY AND VEHICLES) BILL (BUSINESS OF THE HOUSE)

Ordered,

That the following provisions shall apply to the proceedings on the Taxation (Energy and Vehicles) Bill—

Timetable

(1) (a) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall be taken at today's sitting in accordance with this Order.

(b) Proceedings on Second Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on the Motion for this Order.

(c) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion four hours after the commencement of proceedings on the Motion for this Order.

(d) This paragraph shall have effect notwithstanding the practice of the House as to the intervals between stages of a Bill brought in upon Ways and Means Resolutions.

Timing of proceedings and Questions to be put

(2) When the Bill has been read a second time:

(a) it shall, despite Standing Order No. 63 (Committal of bills not subject to a programme order), stand committed to a Committee of the whole House without any Question being put;

(b) the Speaker shall leave the Chair whether or not notice of an Instruction has been given.

(3) (a) On the conclusion of proceedings in Committee of the whole House, the Chair shall report the Bill to the House without putting any Question.

(b) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

(4) For the purpose of bringing any proceedings to a conclusion in accordance with paragraph (1), the Chair or Speaker shall forthwith put the following Questions in the same order as they would fall to be put if this Order did not apply:

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment, new Clause or new Schedule selected by the Chair or Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(e) any other Question necessary for the disposal of the business to be concluded; and shall not put any other questions, other than the question on any Motion described in paragraph (10)(a) of this Order.

(5) On a Motion so made for a new Clause or a new Schedule, the Chair or Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

(6) If two or more Questions would fall to be put under paragraph (4)(d) on successive amendments moved or Motions made by a Minister of the Crown, the Chair or Speaker shall instead put a single Question in relation to those amendments or Motions.

(7) If two or more Questions would fall to be put under paragraph (4)(e) in relation to successive provisions of the Bill, the Chair shall instead put a single Question in relation to those provisions, except that the Question shall be put separately on any Clause of or Schedule to the Bill which a Minister of the Crown has signified an intention to leave out.

Miscellaneous

(8) Standing Order No. 15(1)(Exempted business) shall apply to proceedings on the Bill.

(9) Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings to which this Order applies.

(10) (a) No Motion shall be made, except by a Minister of the Crown, to alter the order in which any proceedings on the Bill are taken, to recommit the Bill or to vary or supplement the provisions of this Order.

(b) No notice shall be required of such a Motion.

(c) Such a Motion may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly.

(d) The Question on such a Motion shall be put forthwith; and any proceedings suspended under sub-paragraph (c) shall thereupon be resumed.

(e) Standing Order No. 15(1) (Exempted business) shall apply to proceedings on such a Motion.

(11) (a) No dilatory Motion shall be made in relation to proceedings to which this Order applies except by a Minister of the Crown.

(b) The Question on any such Motion shall be put forthwith.

(12) The start of any debate under Standing Order No. 24 (Emergency debates) to be held on a day on which the Bill has been set down to be taken as an Order of the Day shall be postponed until the conclusion of any proceedings on that day to which this Order applies.

(13) Proceedings to which this Order applies shall not be interrupted under any Standing Order relating to the sittings of the House.

(14) (a) Any private business which has been set down for consideration at a time falling after the commencement of proceedings on this Order or on the Bill on a day on which the Bill has been set down to be taken as an Order of the Day shall, instead of being considered as provided by Standing Orders or by any Order of the House, be considered at the conclusion of the proceedings on the Bill on that day.

(b) Standing Order No. 15(1) (Exempted business) shall apply to the private business so far as necessary for the purpose of securing that the business may be considered for a period of three hours.—(*Mark Ferguson.*)

Taxation (Energy and Vehicles) Bill

Second Reading

2.38 pm

The Economic Secretary to the Treasury (Rachel Blake): I beg to move, That the Bill be now read a Second time.

The conflict in the middle east has left British families and businesses exposed to volatile gas prices, which has made things more expensive for those who drive for work, including care workers. Even though much of the country's electricity comes from cheaper renewables and nuclear, electricity prices are still largely set by gas, which means that running a wash, turning on the lights or boiling the kettle has also become more costly for families across the UK. As my right hon. Friend the Chancellor set out in May, the Government are keenly aware of the costs that the conflict in the middle east will impose on British people. The Government have taken steps to put our economic security and national security first. The Chancellor has committed to doing what she can to support families and businesses; to being responsive to a changing world; and to being responsible, in the national interest.

Some legacy renewable energy generators stand to benefit from the disparity when higher gas prices determine the price of electricity. Without any new costs or risks, those generators receive extraordinary revenues. The electricity generator levy already recoups some of the excess returns made by renewable generators when electricity prices are over £82.61 per MWh, but the Government have decided to increase the rate of the levy from 45% to 55% from today, 1 July.

The rate rise will have two main benefits. It will ensure that a larger proportion of any exceptional revenues from high gas prices are passed back to the Government. That will provide a vital revenue stream, so that money is available to the Government to support businesses and families with the impact of the conflict in the middle east. In the longer term, the increase in the EGL rate will also encourage participation in the new voluntary contract for difference scheme, announced in April—part of a broader package of measures that break the link between electricity and gas prices. Importantly, new investment is excluded from the levy. This ensures that the measure is targeted solely at legacy windfall returns, and does not deter future clean energy development.

In March, the Government announced a review of mileage rates for employees who use their own vehicle for work, and for the self-employed who use the simplified expenses rates. In recognition of the pressures facing drivers as a result of the conflict in the middle east, my right hon. Friend the Chancellor announced in May the first uprating of mileage rates in 15 years. It was backdated to April, to provide immediate support to both groups. Mileage rates will increase for 2026-27 from 45p to 55p for the first 10,000 miles and 25p thereafter, with effect from 6 April 2026.

Matt Western (Warwick and Leamington) (Lab): My hon. Friend is making an excellent speech. This is fantastic news for my constituents, my farmers and my businesses. Does she welcome the statement from the End Fuel Poverty Coalition, which said that increasing the rates of approved mileage allowance payments is absolutely the right thing to do right now?

Rachel Blake: I thank my hon. Friend for his thoughtful intervention. I absolutely agree that this will make a real difference to those workers who drive for their work. This is a long overdue measure, and I am very happy to put the Bill forward today.

The proposals represent the largest ever increase to the mileage rates, benefiting around 2 million employees and 1 million self-employed individuals, and saving over £120 a year for a worker doing 6,000 business miles. Looking beyond 2026-27, the Government have already committed to a review of the rates, and will set that out at the Budget.

Recognising the key role that the road haulage sector plays in transporting goods across the UK, and its disproportionate exposure to fuel costs, the Government are introducing a 12-month holiday from vehicle excise duty for the majority of heavy goods vehicles for licences taken out between 1 July 2026—today—and 30 June 2027. That will save a typical HGV £600, on top of savings from fuel duty. Fuel costs make up a substantial proportion of HGV operating costs, and this action will help prevent cost pressures arising from the conflict in the middle east spreading across the economy.

The announcements on mileage rates and HGV VED were part of a wider package of measures announced in May, including on fuel duty. In total, the decisions taken since the 2024 general election to freeze fuel duty will save motorists 11p per litre, or £120 for the average car, £250 for the average van and over £2,000 for the average HGV, compared to previous plans. For those reasons, I commend the Bill to the House.

Madam Deputy Speaker (Ms Nusrat Ghani): I call the shadow Minister.

2.45 pm

James Wild (North West Norfolk) (Con): I know that this legislation is fast-tracked, but the Minister did rattle through very rapidly. I will seek to follow her lead as best I can.

It is a pleasure to debate the Bill on Second Reading and its measures on increasing the electricity generator levy, increasing the mileage allowance and introducing the 12-month HGV vehicle excise duty holiday. We are broadly supportive of the measures. However, we must consider the wider context in which we are debating them. The energy price cap has today increased by 13%, inflation is well above target, economic inactivity is rising, we have high borrowing costs, taxes are at record levels and are set to go higher, and, sadly, growth is non-existent. Those things cannot all be blamed on the conflict in the middle east, so it is little wonder that this zombie Government are under pressure to show that they have a plan for energy costs, business costs and the strain on ordinary family finances.

Given the title of the Bill, people might expect ambitious measures in it to deliver cheaper energy for consumers and businesses, make our economy more competitive, and unwind the bills, levies and targets that are increasing costs, but there are not. Instead, this is a small package of measures with no serious plan to ease the burden.

Noah Law (St Austell and Newquay) (Lab): The shadow Minister speaks of the need for ambition, but does he not agree that there is little that is more ambitious

than breaking the link between the cost of gas and electricity, which so many of our constituents have called on us to do in recent months?

James Wild: I agree with the hon. Gentleman on that point, which I will come to shortly. I just note that when the Secretary of State for Energy Security and Net Zero had the opportunity to really break that link, he backed away from doing so. This measure does so in a limited way, but it does not make the ambitious reforms that could have been made by the Energy Secretary.

The electricity generator levy—[*Interruption.*] I am sure the Parliamentary Private Secretary, the hon. Member for Hitchin (Alistair Strathern), can intervene if he is allowed. The electricity generator levy was introduced by the previous Government in 2023 as a temporary windfall tax applying to revenue above the benchmark price. It was a short-term response to exceptional circumstances and is due to end in 2028. What do the Government propose? To increase the rate from 45% to 55% and to extend it beyond 2028, with no end date. This is another example of Ministers reaching for higher taxes while offering no certainty in return.

The Government say, to answer the point made by the hon. Member for St Austell and Newquay (Noah Law), that the increased rates will support the decoupling of gas prices by incentivising generators into voluntary wholesale contracts for difference, but while the new higher levy applies from today, those new contracts are yet to be seen, the proposed strike price is not known, the likelihood of generators accepting them is therefore unknown and in question, and the value for money for taxpayers is yet to be proven. Will the Energy Secretary still be in post to oversee the reforms? We all sincerely hope he will not be in the Treasury.

In the winding-up speech, will the Minister provide an update on when the consultation on the CfDs will be launched, when the first contracts are set to be awarded, and if that will be through an auction or an allocation round? The Government have said that their intention is to extend the levy beyond 2028, but with no clarity on when it will end. The Government do not know how long they want it to last and have said there will be further legislation on that point. The Exchequer Secretary, in the debate on the resolutions last week, said that this was something “the Government are considering”. That is hardly a robust approach when bringing legislation before the House. Indeed, it seems like a hasty measure to give the Chancellor something to announce.

The House of Lords Constitution Committee previously recommended that for fast-track legislation, sunset clauses should be the default presumption. An amendment to add one is outside the resolutions of this House, but we have tabled a new clause that would require the Government to come forward before the due end date in March 2028 to say whether they think the levy should continue.

There is an absence of any publicly available costings on the measures. That is true for all the measures, yet this House is being asked to approve an indefinite extension. When the levy was first introduced, the Office for Budget Responsibility predicted that it would raise £2.3 billion a year, but the out-turn in 2024-25 was only £700 million. That matters, because part of the rationale for the higher levy is to generate revenues to support businesses and households. What measures is the Minister proposing in that regard? Surely not the Thorpe Park

[James Wild]

VAT cut, because that is funded by changes to corporation tax. Can the Minister enlighten us on what other benefits the consumers—my constituents—are getting from the tax?

The levy needs to be seen in the context of the Government promising to reduce energy bills by £300—instead, bills have increased by around that amount. That is what happens when Governments do not have a plan. The Conservatives would cut bills for businesses and consumers through our cheaper energy plan, taking VAT off energy bills, axing the carbon tax and legacy subsidies, and backing the North sea to get drilling.

The second measure on increasing mileage payments to 55p for 10,000 business miles is something that we support. It is right that those workers, including carers, who are using their own vehicles for work should not be left to absorb the rising cost. The measure is backdated to the start of the financial year. When winding up, can the Minister guarantee that His Majesty's Revenue and Customs will not pursue anyone for any income tax or national insurance contributions that may otherwise have arisen on payments made before the legislation took effect?

The increase applies only to the first 10,000 miles. When we debated the resolution, the Minister said that the Government considered an increase in the 25p rate, but that it did not represent good value for money. If Ministers accepted that the 45p rate needed to be increased, can the Minister explain how they justify leaving the longer-distance rate untouched at 25p? As has been set out, this is the first increase for some time, which raises the question of how we can avoid such a long period between increases in future. I accept that indexation would be complicated, but what commitments will the Minister make to regularly review increases?

Mileage is an important part of motorists' costs, but the bigger impact comes from fuel duty. At the last Budget, the Chancellor announced plans to scrap both the 15-year freeze and the 5p cut that the Conservatives put in place. It was only after pressure from the Opposition that the Chancellor made a U-turn. However, it was only a partial one, and those costs are going to start hitting from as soon as January. For the logistics sector, which pays £5.4 billion in fuel duty, a 1p increase per litre will increase costs by nearly £83 million. Perhaps the new Chancellor will recognise the folly of that approach and reverse the plans they inherit.

We welcome the HGV vehicle excise duty holiday. That duty had been frozen since 2014 until Labour came into office. For a year from today, HGVs will pay just £1, which will be a significant saving for the sector. However, the Government must recognise the full scale of the pressures facing hauliers and accept responsibility for those they have added; the Chancellor did not have to increase business rates, transport taxes and fuel duty.

More than 95% of road haulage firms are small businesses with small margins, so any increase in costs is a challenge. The Government say that the measure will save £600 for a typical lorry, and £900 for the largest vehicles. At peak prices, filling a single HGV costs more than £1,000. Yes, the measure is helpful, but not markedly so.

Taken together, the measures reveal a Government reaching for short-term fixes while avoiding the harder questions. On the generator levy, they are demanding

higher taxes without certainty or proper costings—all while displaying a lack of urgency on reforms to decouple energy prices. Mileage allowances are a partial change, and one that leaves high-mileage workers behind. The vehicle excise duty holiday is a temporary relief without a plan for what comes next.

The Conservatives welcome the measures, as far as they go. However, they have not been brought forward by choice; they have been forced by the consequences of the Chancellor's decisions. Taxes remain at record highs, and are set to go higher, costs continue to rise, and growth has stalled. Against that backdrop, the measures offer very limited relief.

Madam Deputy Speaker (Ms Nusrat Ghani): I will now announce the results of today's deferred Divisions.

On the draft Employment Tribunal (Extension of Time Limits) (Miscellaneous Amendments and Transitional Provisions) Regulations 2026, the Ayes were 323 and the Noes were 107, so the Ayes have it.

On the draft Employment Tribunals Extension of Jurisdiction (England and Wales) (Amendment) Order 2026, the Ayes were 318 and the Noes were 107, so the Ayes have it.

I call the Liberal Democrat spokesperson.

[*The Division lists are published at the end of today's debates.*]

2.54 pm

Daisy Cooper (St Albans) (LD): We Liberal Democrats support all three measures in the Bill. We recognise that the electricity generator levy is intended to encourage legacy renewable generators to move away from volatile wholesale electricity prices and on to contracts for difference.

As the only party to put in its manifesto a commitment to decoupling gas and electricity, the Liberal Democrats support the Government's objective. If it succeeds, consumers will benefit from greater protection against future gas price shocks and the volatility that we have seen in recent years. However, if the measure does not achieve that behavioural change, and instead primarily generates additional revenue, I believe that Parliament and the public deserve clarity on how that money will be used. As the Bill progresses through the House, I hope Ministers will say how they intend to report to Parliament the amount of money the levy raises, and how they intend to spend it.

We have consistently argued for an emergency transport package to help Britain keep moving, emergency home insulation schemes, and low-interest loans to support households to adopt energy security measures—something I proposed last autumn that the Government are now consulting on. There are many ways in which the Government could be helping households and businesses with the rising cost of living.

The change to income tax mileage allowance payments is another measure that Liberal Democrats are pleased to support. However, Ministers will be aware that there are many carers who drive their own cars, often hundreds of miles a week, who do not benefit from mileage allowances. Again, I hope that as the Bill progresses through the House, Ministers will say what measures will be taken to ensure that all of our valued and professional care workers can benefit.

The 12-month vehicle excise duty holiday for HGVs is a sensible measure and one that we welcome, but we must also recognise the unprecedented pressures facing the haulage sector. As international instability continues, and global energy markets remain uncertain, we urge Ministers to remain vigilant and responsive to the impact that those pressures are having on households and businesses, as well as industry and haulage.

2.57 pm

The Exchequer Secretary to the Treasury (Dan Tomlinson): Today's debate is progressing rapidly—so rapidly, in fact, that I am yet to turn to the speech in my folder. It is a privilege to close this rapid debate on behalf of the Government, and I thank Members for their contributions, as well as the Economic Secretary to the Treasury for opening the Government's arguments. She was right to point out that the conflict in the middle east has imposed additional costs on the British people, which is why the Chancellor and the Prime Minister have been careful throughout the conflict—from the beginning, when other parties took a different approach—to tread carefully, be cautious and not rush to entangle ourselves in a foreign conflict, risking national security and potentially further harming our economic security.

The measures we are considering are an example of how the Government have responded in a proactive and positive way to the impact of the conflict in the middle east on households, families and businesses. Reasonable people can disagree about how the Government could have best responded to the conflict as it played out. It is this Government's judgment that we have taken the right approach to ensure that we support those families and businesses that most need it. We have been there for them with the changes in this Bill and others—either already passed or making their way through the House via instruments of some form—such as continuing the freeze in fuel duty.

We wanted to ensure that our response was proportionate and targeted so that we could continue on the path that this Government have set out to bring down the deficit and bring down borrowing sustainably over the course of this Parliament. This year, for the first time since the 2000s, we have a lower deficit than the G7 average—something that the Conservatives never managed to achieve, despite all their talk about wanting to manage the public finances well.

I will not run through the measures in detail, as my hon. Friend the Economic Secretary to the Treasury has already done so. Instead, I will take the chance to respond to the questions asked by Opposition spokespeople.

I can confirm that the consultation on the electricity generator levy will come before the end of this year. It is being worked on at the moment by officials in the Department for Energy Security and Net Zero. We will ensure that we consult on this at the end of the year. Questions such as auction allocation and details of the way the wholesale contracts for difference will work will, I am sure, be raised in the consultation or elsewhere in engagement.

James Wild: Given that the levy kicks in from today and the Minister said that the consultation will be published before the end of the year, six months henceforth, and then legislation will have to go through, are the Government considering any backdating provision? If

a company generator wanted to go into one of these wholesale CfDs, doing so would allow it to have that backdated; at the moment, it would not have the option to go into the wholesale and will just be hit with the higher levy.

Dan Tomlinson: No. If prices are slightly above the threshold set in the electricity generator levy, as they are at the moment, I believe, those taxes will be due now, from 1 July, whether or not businesses make decisions down the line after the consultation, after engagement and after the detail of the wholesale contract for difference policy has been set out by the DESNZ Secretary of State.

Both the shadow Exchequer Secretary and the hon. Member for St Albans (Daisy Cooper) asked how much revenue will be raised by this and other measures. It is a good tradition—a tradition set in place, in fact, by the Conservatives and Liberal Democrats—that the Office for Budget Responsibility set out the costings of policy decisions when they are made. That is important. This Government and this Chancellor have been keen to protect the independence and integrity of the OBR, rather than throwing it under the bus and causing market turmoil, as Liz Truss did. At the Budget later this year, the OBR will, in the usual way, confirm the costings of the changes announced by the Chancellor and included in the Bill.

The shadow Exchequer Secretary is right that the costings the OBR put out initially on the EGL ended up being very different from the revenue that it has pulled in. That is why it is right that we have an independent forecaster, so that even if things materialise differently than was forecast, we have forecasts that are robust to the information at the time and can be relied on by all.

The hon. Gentleman questions whether the Government have provided sufficient support more broadly. I would just mention that we have taken the decision to extend the fuel duty freeze. Going into the general election, the previous Government's plan, as set out by the OBR, which we have already talked about, was for fuel duty to continue to rise and for the 5p cut to unwind. I believe that motorists would be paying a further 11p of fuel duty if it was not for their choice in 2024 to elect a Labour Government and not go ahead with the plans that the Conservatives set out.

A couple more points have been raised. The shadow Minister mentions a review of indexation. We will, of course, keep the mileage rates under review. The Chancellor announced a few weeks back that we will have a review. We have somewhat pre-empted that with this 10p increase, because we wanted to respond to the conflict in the middle east and the impact on households, but that review is still ongoing and will report if further changes are to be made to the policy at the Budget.

The Liberal Democrat spokesperson made the important point that many care workers and people who drive for work may be working for an employer who does not provide a mileage rate. It is not compulsory for employers to set the rate at the HMRC rates. We have increased rates from 45p per mile to 55p per mile up to 10,000 miles, and I encourage employers across the country to adopt that higher rate.

For employees who work for an employer who does not do so or who persists in having a significantly lower rate, as I am aware that some do, it is possible to claim back marginal tax up to that amount, so 55p per mile

[Dan Tomlinson]

now. A basic rate taxpayer can in effect get 20% back on that. It was a pleasure to meet care workers and members of Unison, the trade union, a couple of weeks ago at No. 11 Downing Street. Some questions were raised about whether that process could be made any easier for workers to navigate, and that is something I certainly want to look at with my officials. This is a complex area of policy. I encourage Members to inform care workers and others who drive for work and who do not have mileage rates provided by their employer that they can claim the tax back from HMRC.

I hope that responds to many of the points made.

James Wild: I think the Minister might be coming to a conclusion, and I would not want him to miss the opportunity to refer to the House of Lords Constitution Committee and the presumption that fast-tracked legislation should include sunset clauses. Could he explain why the Government have chosen not to follow that guidance in this case?

Dan Tomlinson: There is a very sensible policy rationale when it comes to the electricity generator levy, which I think is the clause the hon. Member is referring to. We want to ensure that the ending of the EGL and the future decisions made on it are made in the light of the decisions that will be made on the wholesale contracts for difference, which, as I have said, are coming forward. It would not have been the right decision to pick a future end date without considering how it would interact with the decisions that the Government will make and will be consulting on later this year on the detail of the wholesale contracts for difference.

I hope that that has responded to many, if not all, of the points that have been raised by Opposition Members. I encourage Members to support the Bill.

Question put and agreed to.

Bill accordingly read a Second time.

Taxation (Energy and Vehicles) Bill

Considered in Committee (Order, this day)

[JUDITH CUMMINS *in the Chair*]

Clause 1

INCREASE IN RATE OF ELECTRICITY GENERATOR LEVY

Question proposed, That the clause stand part of the Bill.

The First Deputy Chairman of Ways and Means (Judith Cummins): With this it will be convenient to discuss the following:

Clauses 2 to 4 stand part.

New clause 2—*Approved mileage allowance payments: review of rate for care workers—*

“(1) Within six months of the passing of this Act, the Chancellor of the Exchequer must lay before the House of Commons a review of the adequacy of the approved mileage allowance payment rate set under section 2 in respect of care workers using a personal vehicle in connection with their employment.

(2) The review under subsection (1) must consider—

- (a) whether the rate of 55 pence per mile adequately reflects the costs incurred by paid care workers when travelling between the homes of those for whom they provide care;
 - (b) the merits of setting a higher approved rate for paid care workers who are required to transport specialist equipment, medication or mobility aids in connection with their caring responsibilities;
 - (c) the merits of setting a higher approved rate for paid care workers who make three or more separate care visits in a single day; and
 - (d) the interaction between mileage reimbursement practices in the social care sector and the effective hourly rate received by paid care workers relative to the National Living Wage.
- (3) In preparing the review under subsection (1), the Chancellor of the Exchequer must consult—
- (a) representatives of paid care workers;
 - (b) representatives of employers in the social care sector; and
 - (c) such other persons as the Chancellor considers appropriate.

(4) In this section “care worker” means a person employed to provide personal care to individuals in their own homes, whether employed directly or through a domiciliary care agency.”

This new clause would require the Chancellor of the Exchequer to review the adequacy of the approved mileage allowance payment rate set under section 2 in respect of care workers using a personal vehicle in connection with their employment.

New clause 3—*Vehicle excise duty: assessment of impact on haulage costs and consumer prices—*

“(1) Within three months of the passing of this Act, the Chancellor of the Exchequer must lay before the House of Commons an assessment of the impact on haulage costs and consumer prices of the temporary vehicle excise duty (VED) rates for goods vehicles provided for under section 3.

(2) The assessment under subsection (1) must include—

- (a) an estimate of the reduction in annual operating costs for a typical goods vehicle operator resulting from the reduced VED rate set under section 3;
- (b) an assessment of the extent to which the temporary reduction in VED affects the overall tax burden on goods vehicle operators, including that arising from fuel duty; and

- (c) an assessment of the adequacy of the temporary reduction in VED as a measure to reduce haulage costs and consumer prices.

(3) In preparing the assessment under subsection (1), the Chancellor of the Exchequer must consult representatives of the haulage industry.”

This new clause would require the Chancellor of the Exchequer to publish an assessment of the combined impact on haulage costs and consumer prices of the temporary vehicle excise duty (VED) rates for goods vehicles.

New clause 4—Electricity Generator Levy: review of rate—

“(1) The Treasury must review the impact of the increase in the Electricity Generator Levy rate to 55% under section 1.

(2) The report must, in particular, assess—

- (a) the impact of that rate on investment in energy generation;
- (b) the effects of that rate on electricity prices, including consumer bills;
- (c) the implications of that rate for the security of energy supply; and
- (d) whether the Levy should continue to be charged at a rate of 55%.

(3) The Chancellor of the Exchequer must lay the report containing the findings of the review before Parliament before 31 March 2028.”

This new clause would require the Treasury to review the impact of increasing the Electricity Generator Levy rate to 55% and to report to Parliament by 31 March 2028.

New clause 5—Goods vehicle excise duty (VED) rates: review—

(1) The Treasury must review the impact of the temporary vehicle excise duty (VED) rates for goods vehicles provided for under section 3.

(2) The report must, in particular, assess—

- (a) the impact of the temporary VED rates on—
 - (i) UK public finances, and
 - (ii) the competitiveness of the UK freight and logistics sector;
- (b) the effects of the temporary VED rates on operating costs for goods vehicle operators;
- (c) the contribution of the temporary VED rates to efficient supply chains across the United Kingdom; and
- (d) whether it remains appropriate for the temporary VED rates on goods vehicles to continue.

(3) The Chancellor of the Exchequer must lay a report of the review before Parliament before 30 June 2027.

This new clause would require the Treasury to review the impact of temporary vehicle excise duty rates for goods vehicles and to report to Parliament by 30 June 2027.

3.8 pm

The Exchequer Secretary to the Treasury (Dan Tomlinson):

I will open this debate in Committee of the whole House by reminding the House—though I am sure Members know what is in this Bill—of the purpose of the Bill, which is to respond to increases in costs for families and businesses in the UK because of the conflict in the middle east. Even though we have just completed Second Reading, as we are now in Committee, I will address the clauses of the Bill in turn—Members will be relieved to know that there are only four clauses, so it should not take too long. I will address the amendments that have been tabled in my closing speech, which, with the leave of the House, I intend to make.

Clause 1 makes changes to ensure that the electricity generator levy rate will rise from 45% to 55% from today, 1 July. As my hon. Friend the Economic Secretary to the Treasury set out, in the UK the majority of our electricity is generated from renewables. Despite that, when the crisis in the middle east pushed up international gas prices, the cost of electricity, and so the cost of living, rose too, because electricity prices are still largely set by the price of gas. The changes made by this clause will ensure that a greater proportion of any exceptional revenue that many non-gas generators may receive because of the conflict in the middle east is available to Government to support businesses and households where appropriate.

As we have discussed, the Government also announced back in April that we are acting to de-link electricity prices from gas prices through new voluntary long-term fixed contracts being offered to existing low-carbon generators. As we have discussed, these are known as wholesale contracts for difference, and the changes made by clause 1, increasing the rate from 45% to 55%, will encourage participation at a competitive price in these WcFDs.

Clause 2 makes changes to increase the generosity of mileage rates for 2026-27 for employees and self-employed individuals who use their car or van for work from 45p to 55p for the first 10,000 miles and 25p thereafter, with effect from 6 April 2026. I forgot to respond to the shadow Exchequer Secretary asking me earlier why we have not increased the rates above 10,000 miles. I did respond to that point in the Ways and Means debate last week and think the Government have got the balance right here. We are supporting all drivers, noting that of course for a driver who drives 10,001 miles, almost all of their miles will be covered by the higher rates, and it is still open to employers with employees who drive many more miles to set their own rates if they wish. I would just note that the Conservative party had many opportunities to uprate these mileage rates after 2011, when they did do so, but they demurred from that choice for 13 years in a row, and I am very glad to be part of a Government who have introduced the largest increase in a very long time, if not ever.

The changes made by clause 2 will provide immediate support for both employees and the self-employed, and this is on top of the universal support announced in May, including the freeze on fuel duty, which will save motorists 11p per litre compared to previous plans, or £120 for the average car, or £250 for the average van. This clause represents the largest ever increase to these mileage rates, benefiting around 2 million employees and 1 million self-employed individuals, saving over £120 a year for a worker doing 6,000 business miles.

Clause 3 reduces the vehicle excise duty liability for the majority of heavy goods vehicles to £1 for 12 months for licences taken out from today until 30 June 2027. The changes made by this clause are in recognition of the key role that the road haulage sector plays in transporting goods across the UK and its disproportionate exposure to fuel costs.

Fuel costs make up a substantial proportion of HGV operating costs, and this action will help prevent cost pressures from the conflict in the middle east from spreading across the economy. The shadow Exchequer Secretary is right to point out that this measure on its own is not a silver bullet in helping the haulage sector, but I hope that it will provide some assistance, and it

[Dan Tomlinson]

does show very clearly by our reducing this rate down to £1, saving HGVs £600 a year, that this is a sector that we do want to support and see grow and weather the storm from the conflicts in the middle east. We also want to do all we can to reduce costs in the supply chain, to keep prices in the shops for everyday families as low as possible. The decisions taken since the 2024 general election to freeze fuel duty will save the average HGV over £2,000.

With that, having taken the Committee through the three clauses, I look forward to hearing the contributions from other Members.

The First Deputy Chairman of Ways and Means (Judith Cummins): I call the shadow Minister.

James Wild (North West Norfolk) (Con): I will be speaking primarily to new clauses 4 and 5 tabled in my name and those of my hon. Friends, specifically related to the electricity generator levy and the HGV vehicle excise duty holiday.

I have to say to the Exchequer Secretary that it is quite nice to see a Treasury Bill that is so concise, rather than the hundreds of pages that we see in every Finance Bill, adding complexity and costs for businesses. I hope that he will take that point back to the Treasury when he returns with the next Finance Bill. I think he has also given a commitment, or expressed an ambition: he said he likes to scrap taxes, so I hope that we will see more taxes scrapped. Now we turn to one that he is increasing, rather than introducing.

3.15 pm

New clause 4 would require the Treasury to review the impact of increasing the generator levy to 55% and to report on its findings to Parliament before 31 March 2028. Importantly, the review should also consider whether the levy should continue to be charged at a rate of 55%. Due to the resolutions passed by the House, it is not possible to seek to amend the Bill to put a levy end date on the face of the Bill, so this is a modest amendment, but it is an important one because it goes to the heart of whether this Government have thought through the consequences of their approach.

The levy was originally introduced as a temporary windfall tax, designed to capture exceptional receipts in extraordinary market conditions. The Government are now proposing to raise it further and to extend the regime, but without setting out an end date. In last week's debate, the Exchequer Secretary to the Treasury said:

“we have not made a definitive announcement on whether that rate will last a short period or will go on into the future, but we will update in due course”.—[*Official Report*, 24 June 2026; Vol. 788, c. 397.]

In his winding-up speech on Second Reading, the Exchequer Secretary said he wanted to consider how the impact of the wholesale contracts for difference might impact on the levy. I gently suggest that a joined-up policy might have considered those two things before bringing forward one of them, because that is not a sound way to make energy or other policy.

If the Treasury believes the measure to be justified, it should welcome a formal review. This new clause matters because investment in energy depends on confidence,

predictability and a stable fiscal framework. It would require that implications for consumers and energy security are considered. If the Government are going to increase the tax burden on generators, they must be prepared to show what that means for future investment decisions, project financing, and the UK's attractiveness as a place to build and expand capacity. The new clause also asks questions about electricity prices and consumer bills.

Ministers have suggested that this measure and the policy may help to reshape the market—to decouple gas and electricity prices—but the measures designed to do that have not been published. All we know from the Exchequer Secretary is that they will be published by the end of the year. In those circumstances, we should not be asked to accept on trust that a higher and indefinite levy will have no adverse consequences. This new clause is a call for scrutiny, for transparency and for certainty, and the Government should have no objection to a review by March 2028 and a statement on whether they intend for the levy to continue.

Doubtless the Exchequer Secretary, who is consistently consistent, will say that all measures are always kept under review by the Treasury. If so, I look forward to him accepting the new clause, which simply says that there will be a review; otherwise, I will urge other hon. Members to support it.

Similarly, new clause 5 would require the Treasury to review the impact of the temporary VED rates for goods vehicles and to provide a report to Parliament. This report must consider whether it remains appropriate for the temporary excise duty rates on goods vehicles to continue, and it should be produced before 30 June 2027. It would force Ministers to explain whether this short-term relief is delivering and whether an extension might be appropriate.

The temporary holiday is welcome, but it is limited; it is not a silver bullet, as the Exchequer Secretary has acknowledged. Equally, I acknowledge that it is a good measure and the right starting point, because the freight and logistics sector is under immense pressure from rising operating costs, fuel costs, business costs and wider economic uncertainty; more than 95% of those road haulage firms are small and medium-sized enterprises operating on margins as low as 2%, and the sector simply cannot absorb repeated shocks.

A policy like this should therefore be tested properly, and the long-term benefits properly weighed. New clause 5 would do precisely that. It would also assess the impact on the public finances, the competitiveness of the freight sector and operating costs for goods vehicle operators. If the Government's measure improves supply chains and helps firms keep goods moving efficiently across the UK, then they should demonstrate that. If it does not, Parliament should know that too.

The new clause also asks the sensible question of whether this temporary reduction should continue. Businesses need certainty, not a series of one-year sticking plasters. Haulage firms plan investment, staffing, maintenance and route costs on a long-term horizon, not on the Treasury's timetable. In the face of mounting pressures, the Government should assess whether this support needs to be continued in the future.

Temporary relief is no substitute for a coherent growth strategy. New clause 5 would ensure that Parliament has the evidence to judge whether the policy is working and whether we should support an extension.

The Government have brought forward a package of measures that are more of a short-term fix than a serious plan. That package includes an indefinite tax on electricity generators, a limited increase in mileage allowance, and only temporary relief for HGV operators. They have failed to give the House the clarity that it deserves about the fiscal impact of the measures. The Exchequer Secretary referred to the OBR scoring of the original levy rate. That scoring was provided at the time that the levy was announced because we announced it at a Budget. The problem we have is that this Chancellor makes announcements outside of a Budget, and then refuses to provide any costings or estimates. Presumably she had advice from officials before she brought the measure forward, so why can she not share with us the indicative amounts in order to aid our debate?

The Government also failed to give clarity on the duration of the electricity generator levy—we are supposed to just wait and see—and on the long-term support needed for businesses and working people. I urge hon. Members to support our two modest new clauses.

The First Deputy Chairman: I call the Liberal Democrat spokesperson.

Daisy Cooper (St Albans) (LD): I rise to speak to new clauses 1 to 3. New clause 1 would require the Chancellor to publish a report on the use of additional receipts arising from the increase in the electricity generator levy from 45% to 55%. New clause 2 would require the Chancellor to review the adequacy of the approved mileage allowance payment rate set under clause 2 in respect of care workers using a personal vehicle in connection with their employment. New clause 3 would require the Chancellor to publish an assessment of the combined impact on haulage costs and consumer prices of the temporary vehicle excise duty rates for goods vehicles.

As I indicated on Second Reading, we support what the Government are trying to do with these measures. However, it is really important for trust in politics that when Ministers stand at the Dispatch Box and say that the intention is to use the levy to supporting households and businesses with the cost of living, there is a report to demonstrate to the public that the money does, in fact, go towards measures that do just that, rather than the money disappearing into Treasury coffers. I urge the Exchequer Secretary to accept new clause 1, which would provide transparency to Parliament and the public.

Let me turn to new clause 2. Some Members will know that I have spoken repeatedly in this House about the extraordinary work carried out by our care workers. The salary of our care workers, and the status they are given, is nowhere near big enough to recognise the extraordinary work that they do. I have spent several hours with Abbots Care in my constituency, watching how their care workers work. They have an enormous emotional investment in every single client; they observe their habits and personality, and they know when something is slightly out of whack or not quite right. A care worker's routine can suddenly change if there an emergency with another client. There may be something wrong with the client's medication and they have to make phone calls that they had not expected to make. They are experts on their client and on people, but they are not experts on tax.

I was very heartened that the Exchequer Secretary said on Second Reading that employees who do not receive the mileage allowance can claim back an equivalent amount. I was also heartened to hear him say that he would look into ways to make it easier for care workers. Could he outline what those measures might look like? We owe care workers so much thanks for the work that they do. It is diligent, hard work to make sure that our loved ones are cared for and can live with dignity. We should make the system as simple as possible for them. It might be a case of care organisations and providers sending letters to care workers to tell them what they are entitled to, or it might be a case of requiring HMRC to proactively write to them, but we must bend over backwards to make sure that care workers can benefit from this particular measure.

As I said on Second Reading, we welcome the measure, but we urge Ministers to think very carefully and to go as far as they can to make sure that every care worker who is entitled to this benefit understands that it is there for them. It must be made as simple as possible for care workers, and we must make it clear that it will not end up in a drawn-out dispute with HMRC; I urge the Exchequer Secretary to think about a dedicated hotline for care workers, in case we need one down the line. Finally, new clause 3 requires a report on this particular measure.

Our three new clauses are all transparency measures, and I hope that the Government will look favourably on them.

Dan Tomlinson: I thank the shadow Exchequer Secretary, the hon. Member for North West Norfolk (James Wild), and the hon. Member for St Albans (Daisy Cooper), for their scrutiny and attention to the measures contained in this short Bill. I am proud that, as the shadow Exchequer Secretary said, we removed three taxes, and I am glad to say that, on a temporary basis at least, one tax is being put down to £1 as a result of the legislative changes that the House is about to vote on. It is a privilege to close this brief debate on behalf of the Government.

Let me turn to each amendment. New clause 2 would require a report to the House of Commons on the approved mileage allowance payments system, including the adequacy of the rate for care workers. The hon. Member for St Albans spoke powerfully about the work done by care workers in her constituency, who she has the honour of representing. I think that all Members will know—from personal experience of family members who have either worked in the sector or been cared for by those who work in the sector—just how valuable care workers' time, effort and care is.

I am glad that the hon. Lady is now aware that care workers can claim back the tax. They cannot claim back the whole amount—it is not fully equivalent—but they can claim back the tax relief, as it were, on the amount. I want to look at whether we can make that process simpler and easier to use. As the Department does so, I would be happy to provide further updates—if not at the Budget, then beforehand. We have said that the Government's review of the rates is not over. We came forward with the 10p increase, and we are continuing the review and will update the House further at the Budget. I therefore urge Members to reject this new clause.

[Dan Tomlinson]

New clause 3 would require a report to the House on the impact of haulage costs and consumer prices, including the operating costs for and overall tax burden on goods vehicle operators. As I am sure the shadow Exchequer Secretary and the Liberal Democrat spokesperson will know, the Government have already published a tax impact and information note setting out the expected impact of the measure. The costing for it will be subject to scrutiny by the Office for Budget Responsibility and set out at a future fiscal event. It is therefore the Government's view that the new clause is unnecessary.

New clause 4 would require the Treasury to review the impact of the EGL rate rise, including on investment, electricity prices and energy security, and to report to Parliament by 31 March 2028. The EGL was carefully designed to avoid disincentivising renewable generation, which means that since its introduction in 2023 it has had no adverse effect on energy security or new investment; in fact, we are having record levels of new investment in renewables under this Government. It is worth noting that new investments made since 2023 are exempt from the EGL and will continue to be so.

The Government have published a tax information and impact note on this measure, too, which sets out clearly that the Government's view is that this rate rise is not expected to have an impact on electricity prices or investment in renewable generation going forward. The note also explains the rationale for the new EGL, which we have discussed. I will be consistent in reminding the Committee that, of course, the Government keep all taxes under review and monitor and evaluate tax policy changes on an ongoing basis, and that, unless responding to international conflict, in order to be there for households and businesses, tax policy decisions are usually best made by Chancellors at the Budget in the usual way.

3.30 pm

The shadow Exchequer Secretary seemed to suggest that the Opposition's view is that we should not have introduced this change until wholesale contracts for difference have been consulted on and sorted out. The Opposition would choose to forgo the additional revenue that may come in if prices remain higher than the threshold in the coming years; the Government's view is that that is not the right approach.

James Wild: I am happy to clarify that for the Minister. My point was rather that if the Government are to introduce a higher levy rate on the basis that it will incentivise people to move into wholesale contracts for difference, it might be as well to have the policy for those wholesale contracts for difference ready.

Dan Tomlinson: I thank the shadow Exchequer Secretary for that. As I said, we are consulting on that policy before the end of the year. It was the Chancellor's and this Government's decision that the better thing to do for the country—for businesses and for households—was to respond to the conflict in the middle east with pace and appropriate responsiveness rather than waiting until the next fiscal event, which is scheduled for the autumn.

I turn to new clause 5, which would require a report to the House of Commons on the impact of the measure on UK public finances, the competitiveness of the UK freight and logistics sector and the contribution of the

temporary VED rate to efficient supply chains, and whether the measure remains appropriate beyond the next 12 months. As always, taxes and reliefs will be looked at ahead of the next fiscal event in the context of the public finances. Consistent with the Chancellor's approach, this is a targeted and time-limited intervention in response to the conflict in the middle east, in recognition of the key role that the road haulage sector plays in transporting goods—including food—across the UK and its disproportionate exposure to fuel costs. The Government will continue to monitor the situation and consider further action as and if that may be necessary. As on other measures, the Government have already published a tax impact and information note, and the costing for the measure will be subject to scrutiny by the Office for Budget Responsibility.

Finally, the shadow Exchequer Secretary talked of this measure as a short-term fix. I hope he is aware of and has seen the impact of the long-term decisions that the Government have made over our time in office to ensure that we can have higher economic growth, as we have had, and higher living standards—rather than their falling by 2%, as they did in the previous Parliament, they have already risen so far by 2% in this Parliament—in part because we have brought back economic stability and had wages rising faster than inflation in every single month since we took office. That has supported stability in the economy which has delivered six interest rate cuts. We have made sure that we are increasing capital investment and that we work with the private sector to get growth up and to invest in our public services and important infrastructure. We have done that in a way, along with investing in our NHS, that has enabled us to manage the public finances well and get borrowing falling in every year of this forecast, with the deficit lower than the G7 average, which the previous Conservative Government never achieved, despite how much they talked about it. They talked a good game on the public finances, but they were never able to deliver that. I therefore ask the Committee to reject the new clause.

For the reasons that I have set out, I urge hon. Members to reject the amendments tabled by the Opposition. I commend the clauses in this short and well-formed Bill to the Committee.

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clauses 2 to 4 ordered to stand part of the Bill.

New Clause 2

APPROVED MILEAGE ALLOWANCE PAYMENTS: REVIEW OF RATE FOR CARE WORKERS

“(1) Within six months of the passing of this Act, the Chancellor of the Exchequer must lay before the House of Commons a review of the adequacy of the approved mileage allowance payment rate set under section 2 in respect of care workers using a personal vehicle in connection with their employment.

(2) The review under subsection (1) must consider—

- (a) whether the rate of 55 pence per mile adequately reflects the costs incurred by paid care workers when travelling between the homes of those for whom they provide care;
- (b) the merits of setting a higher approved rate for paid care workers who are required to transport specialist equipment, medication or mobility aids in connection with their caring responsibilities;

- (c) the merits of setting a higher approved rate for paid care workers who make three or more separate care visits in a single day; and
- (d) the interaction between mileage reimbursement practices in the social care sector and the effective hourly rate received by paid care workers relative to the National Living Wage.
- (3) In preparing the review under subsection (1), the Chancellor of the Exchequer must consult—
- (a) representatives of paid care workers;
- (b) representatives of employers in the social care sector; and
- (c) such other persons as the Chancellor considers appropriate.
- (4) In this section “care worker” means a person employed to provide personal care to individuals in their own homes, whether employed directly or through a domiciliary care agency.”—
(*Daisy Cooper.*)

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 80, Noes 281.

Division No. 46]

[3.35

AYES

Allister, Jim	Maguire, Ben
Amos, Gideon	Maguire, Helen
Anderson, Lee	Mathew, Brian
Aquarone, Steff	McMurdock, James
Babarinde, Josh	Medi, Llinos (<i>Proxy vote cast by Ben Lake</i>)
Bennett, Alison	van Mierlo, Freddie
Berry, Siân	Miller, Calum
Bird, Lara	Milne, John
Brewer, Alex	Mohamed, Iqbal
Brown-Fuller, Jess	Moran, Layla
Cane, Charlotte	Morello, Edward
Carmichael, rh Mr Alistair	Morgan, Helen
Chambers, Dr Danny	Murray, Susan
Coghlan, Chris	O'Hara, Brendan
Collins, Victoria	Olney, Sarah
Cooper, Daisy	Perteghella, Manuela
Corbyn, rh Jeremy	Pinkerton, Dr Al
Dance, Adam	Pochin, Sarah
Darling, Steve	Ramsay, Adrian
Davies, Ann	Reynolds, Mr Joshua
Dean, Bobby	Roome, Ian
Denyer, Carla (<i>Proxy vote cast by Siân Berry</i>)	Rosindell, Andrew
Dillon, Mr Lee (<i>Proxy vote cast by Bobby Dean</i>)	Savage, Dr Roz
Farron, Tim	Saville Roberts, rh Liz
Foord, Richard	Shannon, Jim
Franklin, Zöe	Slade, Vikki
Gibson, Sarah	Smart, Lisa
Gilmour, Rachel	Sollom, Ian
Goldman, Marie	Spencer, Hannah
Gordon, Tom	Sultana, Zarah
Green, Sarah	Swann, Robin
Harding, Monica	Taylor, Luke
Heylings, Pippa	Thomas, Cameron (<i>Proxy vote cast by Bobby Dean</i>)
Hoare, Simon	Tice, Richard
Hobhouse, Wera	Wilkinson, Max
Hussain, Mr Adnan	Wilson, Munira
Jardine, Christine	Wishart, Pete
Jarvis, Liz	Wrigley, Martin
Lake, Ben	
Logan, Seamus	
MacCleary, James	
MacDonald, Mr Angus	

Tellers for the Ayes:

Mr Will Forster and
Clive Jones

NOES

Abbott, Jack	Dearden, Kate
Abrahams, Debbie	Dhesi, Mr Tanmanjeet Singh
Akehurst, Luke	Dixon, Samantha
Alaba, Mr Bayo	Dodds, rh Anneliese
Al-Hassan, Sadik	Dollimore, Helena
Ali, Rushanara	Dowd, Peter
Ali, Tahir	Duncan-Jordan, Neil
Anderson, Callum	Eagle, Dame Angela
Anderson, Fleur	Eagle, rh Maria
Antoniazzi, Tonia	Eccles, Cat
Asato, Jess	Edwards, Lauren
Asser, James	Edwards, Sarah
Athwal, Jas	Egan, Damien
Atkinson, Lewis	Entwistle, Kirith
Bailey, Olivia	Eshalomi, Florence
Baker, Alex	Evans, Chris
Ballinger, Alex	Fahnbulleh, Miatta
Bance, Antonia	Falconer, Mr Hamish
Barker, Paula	Farnsworth, Linsey
Barron, Lee	Fenton-Glynn, Josh
Barros-Curtis, Mr Alex	Ferguson, Mark
Beales, Danny	Foody, Emma
Beavers, Lorraine	Foster, Mr Paul
Bell, Torsten	Foxcroft, Vicky
Betts, Mr Clive	Foy, Mary Kelly
Blake, Olivia	Francis, Daniel
Blake, Rachel	Gardiner, Barry
Bloore, Chris	Gardner, Dr Allison
Blundell, Mrs Elsie	Gelderder, Anna
Bonavia, Kevin	German, Gill
Botterill, Jade	Gill, Preet Kaur
Brackenridge, Sureena	Gittins, Becky
Brash, Mr Jonathan	Glindon, Mary
Brickell, Phil	Goldsborough, Ben
Bryant, Chris	Gosling, Jodie
Buckley, Julia	Griffith, Dame Nia
Burton-Sampson, David	Hack, Amanda
Butler, Dawn	Hamilton, Paulette
Byrne, Ian	Harris, Carolyn
Byrne, rh Liam	Hatton, Lloyd
Cadbury, Ruth	Hayes, Helen
Caliskan, Nesil	Hazeltown, Claire
Campbell, rh Sir Alan	Healey, rh John
Campbell, Irene	Hinchliff, Chris
Campbell, Juliet	Hinder, Jonathan
Campbell-Savours, Markus	Hopkins, Rachel
Carden, Dan	Hughes, Claire
Carling, Sam	Huq, Dr Rupa
Carns, Al	Hurley, Patrick
Champion, Sarah	Hussain, Imran
Charters, Mr Luke	Ingham, Leigh
Coleman, Ben	Irons, Natasha
Collier, Jacob	Jameson, Sally
Coombes, Sarah	Jogee, Adam
Cooper, Andrew	Johnson, Kim
Cooper, Dr Beccy	Jones, Gerald
Costigan, Deirdre	Jones, Ruth
Cox, Pam	Josan, Gurinder Singh
Coyle, Neil	Joseph, Sojan
Craft, Jen	Juss, Warinder
Creagh, Mary	Kane, Mike
Creasy, Ms Stella	Khan, Afzal
Curtis, Chris	Khan, Naushabah
Dakin, Sir Nicholas	Kinnock, Stephen
Dalton, Ashley	Kirkham, Jayne
Darlington, Emily	Kitchen, Gen
Davies, Jonathan	Kumar, Sonia
Davies, Paul	Kumaran, Uma
Davies-Jones, Alex	Lamb, Peter
De Cordova, Marsha	Lavery, Ian
Dean, Josh	Law, Noah

Leadbeater, Kim
 Lewell, Emma
 Lewin, Andrew
 Lewis, Clive
 Long Bailey, Rebecca
 Macdonald, Alice (*Proxy vote cast by Sir Nicholas Dakin*)
 MacNae, Andy
 Madders, Justin
 Martin, Amanda
 Maskell, Rachael
 Mather, Keir
 Mayer, Alex
 McCarthy, Kerry
 McDonagh, Dame Siobhain
 McDonald, Andy
 McDonnell, rh John
 McEvoy, Lola
 McIntyre, Alex
 McKenna, Kevin
 McKinnell, Catherine
 McMahan, Jim
 McMorrin, Anna
 Midgley, Anneliese
 Minns, Ms Julie
 Mishra, Navendu
 Mohamed, Abtisam
 Moon, Perran
 Morden, Jessica
 Morris, Grahame
 Morris, Joe
 Mullane, Margaret
 Murphy, Luke
 Murray, rh James
 Myer, Luke
 Naish, James
 Naismith, Connor
 Narayan, Kanishka
 Newbury, Josh
 Niblett, Samantha
 Nichols, Charlotte
 Norris, Dan (*Proxy vote cast by Sir Nicholas Dakin*)
 Onn, Melanie
 Onwurah, Dame Chi
 Opher, Dr Simon
 Oppong-Asare, Ms Abena
 Osamor, Kate
 Osborne, Kate
 Osborne, Tristan
 Owatemi, Taiwo
 Owen, Sarah
 Paffey, Darren
 Pakes, Andrew
 Payne, Michael
 Peacock, Stephanie
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Pinto-Duschinsky, David
 Platt, Jo
 Powell, Joe
 Prinsley, Dr Peter
 Quigley, Richard
 Qureshi, Yasmin
 Race, Steve
 Ranger, Andrew
 Rayner, rh Angela
 Reynolds, rh Jonathan
 Ribeiro-Addy, Bell
 Riddell-Carpenter, Jenny

Rimmer, Ms Marie (*Proxy vote cast by Rachael Maskell*)
 Robertson, Dave
 Roca, Tim
 Rodda, Matt
 Rushworth, Sam
 Russell, Sarah
 Rutland, Tom
 Ryan, Oliver
 Sandher, Dr Jeevun
 Sandher-Jones, Louise
 Scrogg, Michelle
 Seward, Mark
 Shah, Naz
 Shanker, Baggy
 Slaughter, Andy
 Slinger, John
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Stevens, rh Jo
 Stone, Will
 Strathern, Alistair
 Streeter, rh Wes
 Strickland, Alan
 Sullivan, Dr Lauren
 Swallow, Peter
 Tami, rh Sir Mark
 Tapp, Mike
 Taylor, David
 Thomas, Gareth
 Thompson, Adam
 Thornberry, rh Emily
 Tidball, Dr Marie
 Timms, rh Sir Stephen
 Toale, Jessica
 Tomlinson, Dan
 Trickett, Jon
 Tufnell, Henry
 Turley, rh Anna
 Turmaine, Matt
 Twigg, Derek
 Twist, Liz
 Uppal, Harpreet
 Vaughan, Tony
 Vaz, rh Valerie
 Vince, Chris
 Wakeford, Christian
 Ward, Chris
 Waugh, Paul
 Webb, Chris
 Welsh, Michelle
 West, Catherine
 Western, Matt
 Wheeler, Michael
 Whitby, John
 White, Jo
 White, Katie
 Williams, David
 Witherden, Steve
 Woodcock, Sean
 Wrighting, Rosie
 Yang, Yuan
 Yasin, Mohammad
 Yemm, Steve
 Zeichner, Daniel

Tellers for the Noes:
 Lilian Greenwood and
 Gregor Poynton

Question accordingly negated.

New Clause 4

ELECTRICITY GENERATOR LEVY: REVIEW OF RATE

“(1) The Treasury must review the impact of the increase in the Electricity Generator Levy rate to 55% under section 1.

(2) The report must, in particular, assess—

- (a) the impact of that rate on investment in energy generation;
- (b) the effects of that rate on electricity prices, including consumer bills;
- (c) the implications of that rate for the security of energy supply; and
- (d) whether the Levy should continue to be charged at a rate of 55%.

(3) The Chancellor of the Exchequer must lay the report containing the findings of the review before Parliament before 31 March 2028.”—(*James Wild.*)

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 173, Noes 282.

Division No. 47]

[3.49 pm

AYES

Allister, Jim
 Amos, Gideon
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Aquarone, Steff
 Argar, rh Edward
 Babarinde, Josh
 Bacon, Gareth
 Baldwin, Dame Harriett
 Bedford, Mr Peter
 Bennett, Alison
 Bhatti, Saqib
 Bird, Lara
 Blackman, Kirsty
 Bool, Sarah
 Bowie, Andrew
 Bradley, rh Dame Karen
 Brewer, Alex
 Brown-Fuller, Jess
 Burghart, Alex
 Cane, Charlotte
 Carmichael, rh Mr Alistair
 Cartledge, James
 Chambers, Dr Danny
 Cleverly, rh Sir James
 Clifton-Brown, Sir Geoffrey
 Coghlan, Chris
 Collins, Victoria
 Cooper, Daisy
 Cooper, John
 Coutinho, rh Claire
 Cox, rh Sir Geoffrey
 Cross, Harriet
 Dance, Adam
 Darling, Steve
 Davies, Ann
 Davies, Gareth
 Davies, Mims
 Davis, rh David (*Proxy vote cast by Joy Morrissey*)
 Dean, Bobby

Dillon, Mr Lee (*Proxy vote cast by Bobby Dean*)
 Dinenage, Dame Caroline
 Dowden, rh Sir Oliver
 Duncan Smith, rh Sir Iain
 Evans, Dr Luke
 Farron, Tim
 Foord, Richard
 Forster, Mr Will
 Fortune, Peter
 Fox, Sir Ashley
 Francois, rh Mr Mark
 Freeman, George (*Proxy vote cast by Mike Wood*)
 Fuller, Richard
 Garnier, Mark
 George, Andrew
 Gibson, Sarah
 Gilmour, Rachel
 Glen, rh John
 Goldman, Marie
 Gordon, Tom
 Grant, Helen
 Green, Sarah
 Griffith, Andrew
 Griffiths, Alison
 Harding, Monica
 Harris, Rebecca
 Hayes, rh Sir John
 Heylings, Pippa
 Hoare, Simon
 Hobhouse, Wera
 Holden, rh Mr Richard
 Hollinrake, Kevin
 Holmes, Paul
 Huddleston, Nigel
 Hudson, Dr Neil
 Jardine, Christine
 Jarvis, Liz
 Jenkin, Sir Bernard
 Jenrick, rh Robert
 Johnson, Dr Caroline

Jones, Clive
 Jopp, Lincoln
 Lake, Ben
 Lam, Katie
 Leigh, rh Sir Edward
 Lewis, rh Sir Julian
 Logan, Seamus
 Lopez, Julia
 Lowe, Rupert
 Lumsden, Douglas
 MacCleary, James
 MacDonald, Mr Angus
 Maguire, Ben
 Maguire, Helen
 Mak, Alan
 Malthouse, rh Kit
 Martin, Mike
 Mathew, Brian
 Mayhew, Jerome
 McMurdock, James
 McVey, rh Esther
 Medi, Llinos (*Proxy vote cast by Ben Lake*)
 van Mierlo, Freddie
 Miller, Calum
 Milne, John
 Mohindra, Mr Gagan
 Morello, Edward
 Morgan, Helen
 Morrissey, Joy
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mundell, rh David
 Murray, Susan
 Murrison, rh Dr Andrew
 Norman, rh Jesse
 Obese-Jecty, Ben
 O'Brien, Neil
 O'Hara, Brendan
 Olney, Sarah
 Patel, rh Priti
 Paul, Rebecca
 Perteghella, Manuela
 Philp, rh Chris
 Pinkerton, Dr Al
 Pochin, Sarah
 Pritchard, rh Mark
 Raja, Shivani (*Proxy vote cast by Mike Wood*)
 Rankin, Jack
 Reynolds, Mr Joshua

Robertson, Joe
 Roome, Ian
 Rosindell, Andrew
 Savage, Dr Roz
 Saville Roberts, rh Liz
 Shannon, Jim
 Shastri-Hurst, Dr Neil
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Slade, Vikki
 Smart, Lisa
 Smith, Greg
 Smith, rh Sir Julian
 Smith, Rebecca
 Snowden, Mr Andrew
 Sollom, Ian
 Spencer, Dr Ben
 Spencer, Patrick (*Proxy vote cast by Mike Wood*)
 Stafford, Gregory
 Stephenson, Blake
 Stride, rh Sir Mel
 Swann, Robin
 Swayne, rh Sir Desmond
 Taylor, Luke
 Thomas, Bradley
 Thomas, Cameron (*Proxy vote cast by Bobby Dean*)
 Tice, Richard
 Timothy, Nick
 Trott, rh Laura
 Tugendhat, rh Tom
 Vickers, Martin
 Vickers, Matt
 Whately, Helen
 Whittingdale, rh Sir John
 Wild, James
 Wilkinson, Max
 Williamson, rh Sir Gavin
 Wilson, Munira
 Wilson, rh Sammy
 Wishart, Pete
 Wood, Mike
 Wright, rh Sir Jeremy
 Wrigley, Martin

Tellers for the Ayes:
Alicia Kearns and
David Reed

NOES

Abbott, Jack
 Abrahams, Debbie
 Akehurst, Luke
 Alaba, Mr Bayo
 Al-Hassan, Sadik
 Ali, Rushanara
 Ali, Tahir
 Anderson, Callum
 Anderson, Fleur
 Asato, Jess
 Asser, James
 Athwal, Jas
 Atkinson, Lewis
 Bailey, Olivia
 Baker, Alex
 Ballinger, Alex
 Bance, Antonia
 Barker, Paula
 Barron, Lee
 Barros-Curtis, Mr Alex
 Beales, Danny
 Beavers, Lorraine
 Begum, Apsana
 Bell, Torsten
 Betts, Mr Clive
 Blake, Olivia
 Blake, Rachel
 Bloore, Chris
 Blundell, Mrs Elsie
 Bonavia, Kevin
 Botterill, Jade
 Brackenridge, Sureena
 Brash, Mr Jonathan
 Brickell, Phil
 Bryant, Chris

Buckley, Julia
 Burgon, Richard
 Burton-Sampson, David
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Caliskan, Nesil
 Campbell, rh Sir Alan
 Campbell, Irene
 Campbell, Juliet
 Campbell-Savours, Markus
 Carden, Dan
 Carling, Sam
 Carns, Al
 Champion, Sarah
 Charters, Mr Luke
 Coleman, Ben
 Collier, Jacob
 Coombes, Sarah
 Cooper, Andrew
 Cooper, Dr Beccy
 Costigan, Deirdre
 Cox, Pam
 Coyle, Neil
 Craft, Jen
 Creagh, Mary
 Creasy, Ms Stella
 Curtis, Chris
 Daby, Janet
 Dakin, Sir Nicholas
 Dalton, Ashley
 Darlington, Emily
 Davies, Jonathan
 Davies, Paul
 Davies-Jones, Alex
 De Cordova, Marsha
 Dean, Josh
 Dearden, Kate
 Dhesi, Mr Tanmanjeet Singh
 Dixon, Anna
 Dixon, Samantha
 Dodds, rh Anneliese
 Dollimore, Helena
 Doughty, Stephen
 Dowd, Peter
 Duncan-Jordan, Neil
 Eagle, Dame Angela
 Eagle, rh Maria
 Eccles, Cat
 Edwards, Lauren
 Edwards, Sarah
 Egan, Damien
 Entwistle, Kirith
 Eshalomi, Florence
 Evans, Chris
 Fahnbulleh, Miatta
 Falconer, Mr Hamish
 Farnsworth, Linsey
 Fenton-Glynn, Josh
 Ferguson, Mark
 Foody, Emma
 Foster, Mr Paul
 Foxcroft, Vicky
 Foy, Mary Kelly
 Francis, Daniel
 Gardiner, Barry
 Gardner, Dr Allison
 Gelderd, Anna
 German, Gill
 Gill, Preet Kaur

Gittins, Becky
 Glindon, Mary
 Goldsborough, Ben
 Gosling, Jodie
 Griffith, Dame Nia
 Hack, Amanda
 Hamilton, Paulette
 Harris, Carolyn
 Hatton, Lloyd
 Hayes, Helen
 Hazelgrove, Claire
 Healey, rh John
 Hinchliff, Chris
 Hinder, Jonathan
 Hopkins, Rachel
 Hughes, Claire
 Huq, Dr Rupa
 Hurley, Patrick
 Hussain, Imran
 Ingham, Leigh
 Irons, Natasha
 Jameson, Sally
 Jogie, Adam
 Johnson, Kim
 Jones, Gerald
 Jones, Ruth
 Josan, Gurinder Singh
 Joseph, Sojan
 Juss, Warinder
 Kane, Mike
 Khan, Afzal
 Khan, Naushabah
 Kinnock, Stephen
 Kirkham, Jayne
 Kitchen, Gen
 Kumar, Sonia
 Kumaran, Uma
 Lamb, Peter
 Law, Noah
 Leadbeater, Kim
 Lewell, Emma
 Lewin, Andrew
 Lewis, Clive
 Macdonald, Alice (*Proxy vote cast by Sir Nicholas Dakin*)
 MacNae, Andy
 Madders, Justin
 Martin, Amanda
 Maskell, Rachael
 Mather, Keir
 Mayer, Alex
 McCarthy, Kerry
 McDonagh, Dame Siobhain
 McDonald, Andy
 McDonnell, rh John
 McEvoy, Lola
 McIntyre, Alex
 McKenna, Kevin
 McKinnell, Catherine
 McMahon, Jim
 McMorris, Anna
 Midgley, Anneliese
 Minns, Ms Julie
 Mishra, Navendu
 Mohamed, Abtisam
 Moon, Perran
 Morden, Jessica
 Morris, Grahame
 Morris, Joe
 Mullane, Margaret
 Murphy, Luke

Murray, rh James
 Myer, Luke
 Naish, James
 Naismith, Connor
 Narayan, Kanishka
 Newbury, Josh
 Niblett, Samantha
 Nichols, Charlotte
 Onn, Melanie
 Onwurah, Dame Chi
 Opher, Dr Simon
 Oppong-Asare, Ms Abena
 Osamor, Kate
 Osborne, Kate
 Osborne, Tristan
 Owatemi, Taiwo
 Owen, Sarah
 Paffey, Darren
 Pakes, Andrew
 Payne, Michael
 Peacock, Stephanie
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Pinto-Duschinsky, David
 Platt, Jo
 Powell, Joe
 Prinsley, Dr Peter
 Quigley, Richard
 Qureshi, Yasmin
 Race, Steve
 Ranger, Andrew
 Rayner, rh Angela
 Ribeiro-Addy, Bell
 Riddell-Carpenter, Jenny
 Rimmer, Ms Marie (*Proxy vote cast by Rachael Maskell*)
 Robertson, Dave
 Roca, Tim
 Rodda, Matt
 Rushworth, Sam
 Russell, Sarah
 Rutland, Tom
 Ryan, Oliver
 Sandher, Dr Jeevun
 Sandher-Jones, Louise
 Scrogham, Michelle
 Shah, Naz
 Shanker, Baggy
 Slaughter, Andy
 Slinger, John
 Smith, Cat
 Smith, Jeff
 Smith, Nick

Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Stevens, rh Jo
 Stone, Will
 Strathern, Alistair
 Streeting, rh Wes
 Strickland, Alan
 Sullivan, Dr Lauren
 Swallow, Peter
 Tami, rh Sir Mark
 Tapp, Mike
 Taylor, David
 Thomas, Gareth
 Thompson, Adam
 Thornberry, rh Emily
 Tidball, Dr Marie
 Timms, rh Sir Stephen
 Toale, Jessica
 Tomlinson, Dan
 Trickett, Jon
 Tufnell, Henry
 Turley, rh Anna
 Turmaine, Matt
 Turner, Laurence
 Twigg, Derek
 Twist, Liz
 Uppal, Harpreet
 Vaughan, Tony
 Vaz, rh Valerie
 Vince, Chris
 Wakeford, Christian
 Ward, Chris
 Waugh, Paul
 Webb, Chris
 Welsh, Michelle
 West, Catherine
 Western, Matt
 Wheeler, Michael
 Whitby, John
 White, Jo
 White, Katie
 Williams, David
 Witherden, Steve
 Woodcock, Sean
 Wrighting, Rosie
 Yang, Yuan
 Yasin, Mohammad
 Yemm, Steve
 Zeichner, Daniel

Tellers for the Noes:
Lilian Greenwood and
Gregor Poynton

Question accordingly negated.

New Clause 5

GOODS VEHICLE EXCISE DUTY (VED) RATES: REVIEW

“(1) The Treasury must review the impact of the temporary vehicle excise duty (VED) rates for goods vehicles provided for under section 3.

(2) The report must, in particular, assess—

- (a) the impact of the temporary VED rates on—
 - (i) UK public finances, and
 - (ii) the competitiveness of the UK freight and logistics sector;
- (b) the effects of the temporary VED rates on operating costs for goods vehicle operators;

(c) the contribution of the temporary VED rates to efficient supply chains across the United Kingdom; and

(d) whether it remains appropriate for the temporary VED rates on goods vehicles to continue.

(3) The Chancellor of the Exchequer must lay a report of the review before Parliament before 30 June 2027.”—(*James Wild.*)

This new clause would require the Treasury to review the impact of temporary vehicle excise duty rates for goods vehicles and to report to Parliament by 30 June 2027.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 177, Noes 308.

Division No. 48]

[4.1 pm

AYES

Allister, Jim
 Amos, Gideon
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Aquarone, Steff
 Argar, rh Edward
 Babarinde, Josh
 Bacon, Gareth
 Baldwin, Dame Harriett
 Bedford, Mr Peter
 Bennett, Alison
 Bhatti, Saqib
 Bird, Lara
 Blackman, Kirsty
 Bool, Sarah
 Bowie, Andrew
 Bradley, rh Dame Karen
 Brewer, Alex
 Brown-Fuller, Jess
 Burghart, Alex
 Cane, Charlotte
 Carmichael, rh Mr Alistair
 Cartlidge, James
 Chambers, Dr Danny
 Cleverly, rh Sir James
 Clifton-Brown, Sir Geoffrey
 Coghlan, Chris
 Collins, Victoria
 Cooper, Daisy
 Cooper, John
 Coutinho, rh Claire
 Cox, rh Sir Geoffrey
 Cross, Harriet
 Dance, Adam
 Darling, Steve
 Davies, Ann
 Davies, Gareth
 Davies, Mims
 Davis, rh David (*Proxy vote cast by Joy Morrissey*)
 Dean, Bobby
 Dillon, Mr Lee (*Proxy vote cast by Bobby Dean*)
 Dineneage, Dame Caroline
 Doogan, Dave
 Dowden, rh Sir Oliver
 Duncan Smith, rh Sir Iain
 Evans, Dr Luke
 Farron, Tim
 Foord, Richard
 Forster, Mr Will

Fortune, Peter
 Fox, Sir Ashley
 Francois, rh Mr Mark
 Franklin, Zöe
 Freeman, George (*Proxy vote cast by Mike Wood*)
 Fuller, Richard
 Garnier, Mark
 George, Andrew
 Gibson, Sarah
 Gilmour, Rachel
 Glen, rh John
 Goldman, Marie
 Gordon, Tom
 Grant, Helen
 Green, Sarah
 Griffith, Andrew
 Griffiths, Alison
 Harding, Monica
 Harris, Rebecca
 Hayes, rh Sir John
 Heylings, Pippa
 Hoare, Simon
 Hobhouse, Wera
 Holden, rh Mr Richard
 Hollinrake, Kevin
 Holmes, Paul
 Huddleston, Nigel
 Hudson, Dr Neil
 Hussain, Mr Adnan
 Jardine, Christine
 Jarvis, Liz
 Jenrick, rh Robert
 Johnson, Dr Caroline
 Jones, Clive
 Jopp, Lincoln
 Lake, Ben
 Lam, Katie
 Leigh, rh Sir Edward
 Lewis, rh Sir Julian
 Logan, Seamus
 Lopez, Julia
 Lowe, Rupert
 Lumsden, Douglas
 MacCleary, James
 MacDonald, Mr Angus
 Maguire, Ben
 Maguire, Helen
 Mak, Alan
 Malthouse, rh Kit
 Martin, Mike
 Mathew, Brian
 Mayhew, Jerome
 McMurdoch, James

McVey, rh Esther
 Medi, Llinos (*Proxy vote cast by Ben Lake*)
 van Mierlo, Freddie
 Miller, Calum
 Milne, John
 Mohamed, Iqbal
 Mohindra, Mr Gagan
 Moran, Layla
 Morello, Edward
 Morgan, Helen
 Morrissey, Joy
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mundell, rh David
 Murray, Susan
 Murrison, rh Dr Andrew
 Norman, rh Jesse
 Obese-Jecty, Ben
 O'Brien, Neil
 O'Hara, Brendan
 Olney, Sarah
 Patel, rh Priti
 Paul, Rebecca
 Perteghella, Manuela
 Philp, rh Chris
 Pinkerton, Dr Al
 Pochin, Sarah
 Pritchard, rh Mark
 Raja, Shivani (*Proxy vote cast by Mike Wood*)
 Rankin, Jack
 Reynolds, Mr Joshua
 Robertson, Joe
 Roome, Ian
 Rosindell, Andrew
 Savage, Dr Roz
 Saville Roberts, rh Liz
 Shannon, Jim
 Shastri-Hurst, Dr Neil
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Slade, Vikki

Smart, Lisa
 Smith, Greg
 Smith, rh Sir Julian
 Smith, Rebecca
 Snowden, Mr Andrew
 Sollom, Ian
 Spencer, Dr Ben
 Spencer, Patrick (*Proxy vote cast by Mike Wood*)
 Stafford, Gregory
 Stephenson, Blake
 Stride, rh Sir Mel
 Swann, Robin
 Swayne, rh Sir Desmond
 Taylor, Luke
 Thomas, Bradley
 Thomas, Cameron (*Proxy vote cast by Bobby Dean*)
 Tice, Richard
 Timothy, Nick
 Trott, rh Laura
 Tugendhat, rh Tom
 Vickers, Martin
 Vickers, Matt
 Whately, Helen
 Whittingdale, rh Sir John
 Wild, James
 Wilkinson, Max
 Williamson, rh Sir Gavin
 Wilson, Munira
 Wilson, rh Sammy
 Wishart, Pete
 Wood, Mike
 Wright, rh Sir Jeremy
 Wrigley, Martin

Tellers for the Ayes:
Alicia Kearns and
David Reed

NOES

Abbott, Jack
 Abrahams, Debbie
 Ahmed, Dr Zubir
 Akehurst, Luke
 Alaba, Mr Bayo
 Al-Hassan, Sadik
 Ali, Rushanara
 Ali, Tahir
 Anderson, Callum
 Anderson, Fleur
 Antoniazzi, Tonia
 Asato, Jess
 Asser, James
 Athwal, Jas
 Atkinson, Lewis
 Bailey, Olivia
 Baker, Alex
 Baker, Richard
 Ballinger, Alex
 Bance, Antonia
 Barker, Paula
 Barron, Lee
 Barros-Curtis, Mr Alex
 Baxter, Johanna
 Beales, Danny
 Beavers, Lorraine
 Begum, Apsana
 Bell, Torsten
 Berry, Siân
 Betts, Mr Clive
 Blake, Olivia
 Blake, Rachel
 Bloore, Chris
 Blundell, Mrs Elsie
 Bonavia, Kevin
 Botterill, Jade
 Brackenridge, Sureena
 Brash, Mr Jonathan
 Brickell, Phil
 Bryant, Chris
 Buckley, Julia
 Burgon, Richard
 Burke, Maureen
 Burton-Sampson, David
 Butler, Dawn
 Byrne, Ian
 Byrne, rh Liam
 Cadbury, Ruth
 Caliskan, Nesil
 Campbell, rh Sir Alan
 Campbell, Irene
 Campbell, Juliet

Campbell-Savours, Markus
 Carden, Dan
 Carling, Sam
 Carns, Al
 Champion, Sarah
 Charters, Mr Luke
 Coleman, Ben
 Collier, Jacob
 Coombes, Sarah
 Cooper, Andrew
 Cooper, Dr Beccy
 Costigan, Deirdre
 Cox, Pam
 Coyle, Neil
 Craft, Jen
 Creagh, Mary
 Creasy, Ms Stella
 Curtis, Chris
 Daby, Janet
 Dakin, Sir Nicholas
 Dalton, Ashley
 Darlington, Emily
 Davies, Jonathan
 Davies, Paul
 Davies-Jones, Alex
 De Cordova, Marsha
 Dean, Josh
 Dearden, Kate
 Denyer, Carla (*Proxy vote cast by Siân Berry*)
 Dhesi, Mr Tanmanjeet Singh
 Dixon, Anna
 Dixon, Samantha
 Dodds, rh Anneliese
 Dollimore, Helena
 Doughty, Stephen
 Dowd, Peter
 Duncan-Jordan, Neil
 Eagle, Dame Angela
 Eagle, rh Maria
 Eccles, Cat
 Edwards, Lauren
 Edwards, Sarah
 Egan, Damien
 Entwistle, Kirith
 Eshalomi, Florence
 Evans, Chris
 Fahnbulleh, Miatta
 Falconer, Mr Hamish
 Farnsworth, Linsey
 Fenton-Glynn, Josh
 Ferguson, Mark
 Ferguson, Patricia
 Foody, Emma
 Foster, Mr Paul
 Foxcroft, Vicky
 Foy, Mary Kelly
 Francis, Daniel
 Gardiner, Barry
 Gardner, Dr Allison
 Gelderd, Anna
 German, Gill
 Gilbert, Tracy
 Gill, Preet Kaur
 Gittins, Becky
 Glendon, Mary
 Goldsborough, Ben
 Gosling, Jodie
 Grady, John
 Griffith, Dame Nia
 Hack, Amanda
 Hamilton, Paulette
 Harris, Carolyn
 Hatton, Lloyd
 Hayes, Helen
 Hazelgrove, Claire
 Healey, rh John
 Hinchliff, Chris
 Hinder, Jonathan
 Hopkins, Rachel
 Hughes, Claire
 Huq, Dr Rupa
 Hurley, Patrick
 Hussain, Imran
 Ingham, Leigh
 Irons, Natasha
 Jameson, Sally
 Jogee, Adam
 Johnson, Kim
 Jones, Gerald
 Jones, Lillian
 Jones, Ruth
 Josan, Gurinder Singh
 Joseph, Sojan
 Juss, Warinder
 Kane, Mike
 Khan, Afzal
 Khan, Naushabah
 Kinnock, Stephen
 Kirkham, Jayne
 Kitchen, Gen
 Kumar, Sonia
 Kumaran, Uma
 Lamb, Peter
 Lavery, Ian
 Law, Noah
 Leadbeater, Kim
 Leishman, Brian
 Lewell, Emma
 Lewis, Clive
 Long Bailey, Rebecca
 Macdonald, Alice (*Proxy vote cast by Sir Nicholas Dakin*)
 MacNae, Andy
 Madders, Justin
 Martin, Amanda
 Maskell, Rachael
 Mather, Keir
 Mayer, Alex
 McAllister, Douglas
 McCarthy, Kerry
 McDonagh, Dame Siobhain
 McDonald, Andy
 McDonnell, rh John
 McDougall, Blair
 McEvoy, Lola
 McIntyre, Alex
 McKee, Gordon
 McKenna, Kevin
 McKinnell, Catherine
 McMahon, Jim
 McMorris, Anna
 McNally, Frank
 McNeill, Kirsty
 Midgley, Anneliese
 Minns, Ms Julie
 Mishra, Navendu
 Mohamed, Abtisam
 Moon, Perran
 Morden, Jessica
 Morris, Grahame
 Morris, Joe
 Mullane, Margaret

Murphy, Luke
 Murray, Chris
 Murray, rh James
 Murray, Katrina
 Myer, Luke
 Naish, James
 Naismith, Connor
 Narayan, Kanishka
 Nash, Pamela
 Newbury, Josh
 Niblett, Samantha
 Nichols, Charlotte
 Onn, Melanie
 Onwurah, Dame Chi
 Opher, Dr Simon
 Oppong-Asare, Ms Abena
 Osamor, Kate
 Osborne, Kate
 Osborne, Tristan
 Owatemi, Taiwo
 Owen, Sarah
 Paffey, Darren
 Pakes, Andrew
 Payne, Michael
 Peacock, Stephanie
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Pinto-Duschinsky, David
 Platt, Jo
 Powell, Joe
 Prinsley, Dr Peter
 Quigley, Richard
 Qureshi, Yasmin
 Race, Steve
 Ramsay, Adrian
 Ranger, Andrew
 Rayner, rh Angela
 Rhodes, Martin
 Ribeiro-Addy, Bell
 Riddell-Carpenter, Jenny
 Rimmer, Ms Marie (*Proxy vote cast by Rachael Maskell*)
 Robertson, Dave
 Roca, Tim
 Rodda, Matt
 Rushworth, Sam
 Russell, Sarah
 Rutland, Tom
 Ryan, Oliver
 Sandher, Dr Jeevun
 Sandher-Jones, Louise
 Scroggham, Michelle
 Shah, Naz
 Shanker, Baggy
 Shanks, Michael
 Siddiq, Tulip
 Slaughter, Andy
 Slinger, John
 Smith, Cat

Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Spencer, Hannah
 Stainbank, Euan
 Stevens, rh Jo
 Stevenson, Kenneth
 Stewart, Elaine
 Stone, Will
 Strathern, Alistair
 Streeting, rh Wes
 Strickland, Alan
 Sullivan, Kirsteen
 Sullivan, Dr Lauren
 Swallow, Peter
 Tami, rh Sir Mark
 Tapp, Mike
 Taylor, David
 Thompson, Adam
 Thornberry, rh Emily
 Tidball, Dr Marie
 Timms, rh Sir Stephen
 Toale, Jessica
 Tomlinson, Dan
 Trickett, Jon
 Tufnell, Henry
 Turley, rh Anna
 Turmaine, Matt
 Turner, Laurence
 Twigg, Derek
 Twist, Liz
 Uppal, Harpreet
 Vaughan, Tony
 Vaz, rh Valerie
 Vince, Chris
 Wakeford, Christian
 Ward, Chris
 Waugh, Paul
 Webb, Chris
 Welsh, Michelle
 West, Catherine
 Western, Matt
 Wheeler, Michael
 Whitby, John
 White, Jo
 White, Katie
 Williams, David
 Witherden, Steve
 Woodcock, Sean
 Wrighting, Rosie
 Yang, Yuan
 Yasin, Mohammad
 Yemm, Steve
 Zeichner, Daniel

Tellers for the Noes:
 Lilian Greenwood and
 Gregor Poynton

Question accordingly negated.

The Deputy Speaker resumed the Chair.

Bill, not amended, reported.

Third Reading

4.12 pm

Dan Tomlinson: I beg to move, That the Bill be now read the Third time.

I am grateful for the discussion that we have had today on a Bill that responds directly to the pressures placed on people and businesses across the UK by the conflict in the middle east. In respect of energy, rising gas prices have driven up electricity prices, and non-gas generators stand to benefit significantly as a result. The electricity generator levy ensures that a share of this exceptional revenue is redirected to the public, and we are increasing that share by raising the rate of the levy from 45% to 55%. As for fuel costs, we are uprating mileage rates for the first time in 15 years, providing relief for millions. We are also introducing a 12-month vehicle excise duty holiday for the majority of heavy goods vehicles, supporting those who drive for work and the transport of goods across the UK. Those three measures are the right measures at the right time, and I commend the Bill to the House.

4.13 pm

James Wild: This has indeed been fast-tracked legislation, at 90 minutes—no need for extra time here. [*Laughter.*] There is more.

The Government have sought to move rapidly to impose a higher levy on generators, but the measures designed to decouple electricity and gas prices have not been given the same priority. Motorists using their cars for work will welcome the increased mileage rates, but those driving more than 10,000 miles a year will be puzzled that those rates remain unchanged. Reducing the costs on those who keep goods moving around our country will make a difference, but that has to be seen as only part of the ledger and set against higher employment and higher taxes.

I congratulate the Minister on so ably shepherding the Bill through this afternoon. I am sure that he will have many more Bills to take through as the Exchequer Secretary to the Treasury, but this may well be the last piece of legislation to be granted Royal Assent before the Prime Minister shuffles off the stage. For this Bill and this Prime Minister, they think it's all over—it is now.

4.15 pm

Daisy Cooper: We Liberal Democrats support the Bill and the three measures in it. We tabled our three new clauses in Committee, and I was grateful that the Minister gave assurances from the Dispatch Box that he would look at every single opportunity to ensure that care workers are aware of the ways in which they can benefit from these measures. We are happy to see the Bill fast-tracked, but I believe the Minister said that he would look for opportunities to come back and report to this House—if not at the Budget, perhaps before—on how that is going. I am glad that is on the record. I hope that care agencies see that on the record and act on it to inform their staff, but I was pleased to hear the Minister say that. I will try to hold his feet to the fire so that we do everything we can to ensure that care workers are aware that they will benefit from this measure.

4.16 pm

Dan Tomlinson: I ask that the House gives the Bill its Third Reading.

Question put and agreed to.

Bill accordingly read the Third time and passed.

PETITION

Drink driving, drug driving and dangerous driving laws

4.16 pm

Peter Dowd (Bootle) (Lab): The petition states:

The petition of residents of the United Kingdom,

Declares that current laws and procedures relating to drink driving, drug driving, and dangerous driving are failing to protect the public, as delays between arrest and prosecution allow suspected high-risk drivers, including repeat offenders, to remain on the roads, contributing to preventable deaths such as that of Tim Burgess.

The petitioners therefore request that the House of Commons urge the Government to introduce urgent reforms, known as “Tim’s Law”, to strengthen the response to drink, drug and dangerous driving, including the immediate suspension of driving licences for those suspected of serious driving offences, the introduction of rapid evidential roadside saliva testing for drug driving, stronger measures to tackle repeat offending by dangerous drivers, and improved monitoring and enforcement of high-risk drivers.

And the petitioners remain, etc.

[P003211]

Packaging Manufacturers: Extended Producer Responsibility

Motion made, and Question proposed, That this House do now adjourn.—(Gregor Poynton.)

4.18 pm

Sarah Champion (Rotherham) (Lab): I am very grateful that you have granted tonight’s debate, Madam Deputy Speaker, and that we have so much time to discuss this important issue.

Packaging extended producer responsibility, which I will call EPR, is a policy that genuinely has a laudable goal: the move towards a circular economy, in which recycling is the norm, waste is minimised and we shift away from environmentally harmful materials such as plastic—something that the House can get behind. If done right, EPR could deliver just that, but the reality of the scheme now being implemented by the Minister is altogether different. We are seeing jobs being lost, British businesses losing contracts and investment, an increase in carbon-intensive glass being imported and, ultimately, producers switching from infinitely recyclable materials to plastic.

Peter Fortune (Bromley and Biggin Hill) (Con): I appreciate the hon. Lady giving way so early in her speech, because I have to run to a Delegated Legislation Committee. I agree with all the points she is making, but would she talk later about the impact on the pub trade? This policy will hit the pub trade by about £50 million—it is going to do some real damage to a very important industry.

Sarah Champion: I will indeed be talking about the pub industry. I thank all the Members who have been campaigning so hard on this particular point for the last two years. The hon. Member will need to read the speech afterwards—it will be brilliant. We will try to protect our hospitality industry.

While this debate is not focused on a single material, I must declare a particular interest in glass. Next month, I will be really proud to attend an event marking the 275th anniversary of the founding of Beatson Clark. Since the earliest days of the industrial revolution, it has been manufacturing glass in my Rotherham constituency, providing generations of skilled, well-paid jobs to my constituents. Throughout world wars, economic decline, depression and indeed renewal, it has endured, helping to drive our regional economy. I say to the Minister that I want Beatson Clark to thrive for another 275 years, but the reality is that the EPR is placing that future at risk.

Several hon. Members *rose—*

Sarah Champion: A plethora of interventions, but I have to go to the sister at the back first.

Sarah Pochin (Runcorn and Helsby) (Reform): In my constituency, I also have a phenomenal glass manufacturer, called Encirc. It has three sites across the UK, employing over 2,000 people. It is unfairly penalised by this tax, because it is about weight. As the hon. Lady has pointed out, this is encouraging manufacturers of things like tonic to switch to aluminium and plastic, which are infinitely less recyclable than glass. It is also competing against imports from countries like Turkey, so not only

[Sarah Pochin]

are we facing the increased carbon emissions from shipping over the glass, but the glass is less pure and is therefore not as recyclable. I would ask the Minister urgently to look at this tax—I have already asked for that—and very quickly to bring in a 75% reduction while she considers its overall implications.

Sarah Champion: I hope to amplify the hon. Lady's points later in my speech. Glass is not just another packaging material; it is infinitely recyclable.

Mr Will Forster (Woking) (LD): I wanted to give the hon. Lady a chance to get back into the swing of things before intervening, but as she is talking about a valuable business in her constituency, let me say that the pub and brewery sector in Woking represents £100 million and 1,800 jobs to our local economy; those numbers used to be higher but, sadly our small brewery, Thurstons, had to close. The EPR was one of several factors that hit that brewery. Does she agree that we need a change from the Government on the EPR, as well as wider support for the sector?

Sarah Champion: I completely agree. Trying to level the playing field on this EPR measure is the one thing that I hope the Minister will give us comfort on today. Our hospitality industry is really suffering. More generally, I worry where the remaining places of community are in our towns, cities and villages. If we are not protecting the ones we have—the few we have—it is going to be a very dark future. Let me now get back to glass.

Robert Jenrick (Newark) (Reform): The hon. Member is being very generous in giving way, and she is making an excellent speech. I think we would say that the cost of food right now is the No. 1 issue for all our constituents and that household budgets are very tight. Does she agree that this is a bad time to be implementing this tax, whatever its merits may or may not be? The Bank of England estimates that it will add 0.5% to food price inflation, and that food prices could rise by 7% over the next 12 months. Households on very tight incomes are going to be squeezed as a result. Would it not be better either to cancel this measure, or at the very least not to implement it at a tough time like this?

Sarah Champion: As I said, I think the principles of the scheme are laudable. What frustrates me is that it is disincentivising using renewable materials, which in the long term are much cheaper. Instead, it is driving businesses to plastics, which have a very real cost on our environment as well as on our pockets. The Minister needs to do anything she can to mitigate that risk, but I hope this debate will grant her the opportunity to do so in a fair and equitable way.

Glass supports a circular economy. It underpins supply chains across food, drink and pharmaceuticals. We all support the principle underpinning the EPR—that those placing packaging on the market should pay towards its collection—but, as Members have said, the weight-based fee structure that the Government have chosen to utilise disproportionately penalises glass, making glass significantly more expensive per unit than lighter, less sustainable alternatives like plastic.

Chris Bloore (Redditch) (Lab): I congratulate my hon. Friend on securing the debate. I declare an interest as the chair of the all-party parliamentary group for packaging in the circular economy. Like her, I have engaged extensively with manufacturers across the supply chain. They support the EPR in principle but raise concerns about its implementation. Businesses need predictability, transparency and confidence. The current plan for annual adjustments to the recyclability assessment and methodology provides concerns about the long-term capital certainty that our factories need in order to reinvest. Does she agree that it would be helpful if the Government would commit to periodic, rather than annual, methodological changes and a comprehensive post-implementation review covering manufacturing, employment investment and material inflation?

Sarah Champion: I absolutely agree with my hon. Friend's points. The methodology throughout—I will come on to it later—has been flawed, if not straight wrong in some cases. I would much rather that the research he is talking about—on the methodology—was done years in advance, rather than on the hoof as seems to be happening now. The Government seem to be suggesting that they will retrospectively look at what is happening and make adjustments, but unfortunately for a business and its bottom line, it is not possible to retrospectively charge people for something the Government choose to modify.

Let me state one inescapable fact. Glass is heavier than plastic—it simply is. By choosing to base fees on weight rather than on units, which they could have done, the Government are pushing businesses towards switching to a cheaper, less recyclable and much more environmentally harmful packaging. The industry has been told by the Department for Environment, Food and Rural Affairs that the modulation of fees will save glass, but let us be honest: this is too little, too late. Why not get the scheme right at the beginning, rather than trying to modify it later?

Leigh Ingham (Stafford) (Lab): One of the largest employers in my constituency is Bostik, which is famous for Blu Tack. It also produces quite a lot of adhesives used in the DIY and home repairs sector. Bostik agrees with the scheme—it does not oppose the scheme in and of itself—but it does see one issue: although 95% of the company's products go to site and are used by professionals, it will be charged the EPR on 100% of its products because it cannot trace every single item. It therefore supports the Builders Merchant Federation's argument that commercial and industrial packaging should remain outside full cost recovery, because trade packaging waste is already covered through merchant distribution. Does my hon. Friend agree that the Government could consider that in the implementation stage, right at the beginning of the process?

Sarah Champion: My hon. Friend makes a point that I was not aware of. I have been in contact with loads of different industries, but not that particular one. It seems as though it is the same sort of double payment that hospitality is facing. That absolutely needs to be addressed.

Businesses have also been told that they need to move towards reuse systems. I am sure that both the points we are raising will be mentioned by the Minister in her

response. It is true that glass is the perfect material to reuse, but it is not within the power of the glass manufacturing sector to force producers to move to use reusable bottles. Let us be honest: widescale reuse systems in the UK will take significant buy-in from the whole supply chain and will take at least a decade to become a reality, by which point—let me also be honest again—we will not have a glass manufacturing sector in the UK to supply the reusable glass packaging.

The signal that the Government are giving to businesses is clear: switch away from glass right now. The result? We are seeing an evident and accelerated shift away from UK-made glass towards both cheaper imports, which now account for—I am really surprised by this—14% of the market, and increasingly towards plastic.

Jacob Collier (Burton and Uttoxeter) (Lab): I thank my hon. Friend for her tireless campaigning on this issue. We are joined in the Public Gallery by GMB glassmakers—I declare an interest as a GMB member—who are at risk of losing their jobs if the measure goes ahead in its current form. Will my hon. Friend recognise the human impacts that could come if we do not see a change in policy, and pay tribute to those workers in the sector and GMB for their campaigning?

Sarah Champion: I absolutely support what my hon. Friend says. GMB and Beaton Clark have been fantastic on this issue, as have other unions. We should never forget the human impact of the debates that we have in this Chamber. When we talk about numbers, percentages and import tariffs, we forget that it is the people making the products who are suffering the most and facing the uncertainty.

A survey conducted by British Glass found that nearly half of businesses say that they have already switched away from glass, or plan to do so, due to EPR fees. Once those decisions are made, and once investment is committed to new packaging formats, they are unlikely to be reversed. Glass manufacturing is not easily replaced. Furnaces represent long-term capital investment—often hundreds of millions of pounds. Decisions about whether to rebuild or reinvest are already being delayed or cancelled, meaning hundreds of millions of pounds of investment in the UK is already being lost.

When production shifts overseas and capacity is lost, it is almost impossible to rebuild. I am not talking about short-term disruption. I am talking about permanent industrial decline. If left unchecked, the policy will not just reshape the packaging market; it will hollow out an entire industry. With that decline, as my hon. Friend the Member for Burton and Uttoxeter (Jacob Collier) said, comes something even more serious: job losses.

Perran Moon (Camborne and Redruth) (Lab): In my constituency we have three breweries—Verdant, Keltek, and St Ives Brewery based in Hayle. Does my hon. Friend agree that those breweries are about not just producing excellent product—which they all do—but the communities that grow up around them? Does she agree that there is a risk of social damage if we are unable to support those small breweries, and that this proposal risks that happening?

Sarah Champion: That is absolutely my concern. People do not talk about the impact on the supply chain. We already know that at least 350 jobs—more than 5% of

the direct workforce—have been lost so far, but we do not know about the impact on the supply chains and associated businesses. These are not abstract numbers; these are well-paid, highly skilled manufacturing jobs, concentrated in industrial communities like mine, where, to be honest, such opportunities are at a real premium.

Since I first raised these issues nearly two years ago, I have been contacted by a range of businesses and industry groups, including: UK Hospitality, the British Beer and Pub Association, the UK Spirits Alliance, the Society of Independent Brewers and Associates, O-I Glass, the Scotch Whisky Association, the Wine and Spirit Trade Association, GMB, Unite, AB InBev, the all-party parliamentary beer group, the APPG on packaging in the circular economy, the Packaging Federation, Teva Pharmaceuticals, British Glass, and the Campaign for Real Ale. Their concerns are strikingly similar.

The EPR is not just affecting glass. Across the packaging sector, businesses are struggling in the face of this poorly designed, poorly implemented policy. Graphic Packaging International employs 57 people in my constituency, and upwards of 1,700 across the UK. It produces a range of fibre-based packaging for household goods, supplying major UK retailers with sustainable and innovative products, which are largely made from renewable or recyclable raw materials. However, like glass, they face unfairly high fees on the basis of being a heavier than their plastic equivalents.

That distortion is even greater for fibre-based composite packaging. Industry groups have identified what appear to be substantial errors in the methodology used for DEFRA's EPR fee calculations for fibre-based packaging. By way of example, in the EPR fee cost breakdown, the cost of FBC collection is more than twice that of paper and board, yet it is collected for recycling with paper and board. How can the costs to local authorities be so radically different?

Similar anomalies are observed with other EPR cost categories, including sorting, residual collection and handling and disposal overheads. Costs for managing FBC should be similar to those for paper and board, yet are wildly disproportionate. Industry groups believe that that results from DEFRA seeming to have used data for another, wholly distinct type of FBC—beverage cartons—in its FBC fee calculation. Such elementary errors risk undermining the EPR's core objectives. The Alliance for Fibre-Based Packaging has already reported evidence that long-standing shifts away from plastic towards more sustainable alternatives are slowing and, in some cases, reversing altogether.

Mr Forster: I thank the hon. Lady for being so generous with her time. I remember her making the same points in her Westminster Hall debate on the EPR back in May 2025. I made similar points in my Westminster Hall debate on beer tax—draught duty—in which we also talked about the EPR. Does the hon. Lady agree that it is really disappointing that a year on, the Government, and DEFRA in particular, have not listened to our concerns?

Sarah Champion: I think it is infinitely more than disappointing, but I will follow the hon. Member's parliamentary language: it is hugely frustrating. Colleagues here are raising the real, human costs of that. Something

[Sarah Champion]

needs to change, and I do not want that change to be us losing our hospitality and renewable packaging industries.

Hospitality businesses have faced similarly unfathomable logic from DEFRA. EPR fees are meant to offset the cost to local authorities of handling and recycling waste. Hospitality businesses' waste is not collected through public collections, but through commercial waste removal contracts. Yet perversely, the annual burden to British pubs for EPR fees has been estimated by the British Beer and Pub Association to be £50 million. Hospitality businesses are, in effect, being told to pay for the same thing twice. DEFRA has long been aware of this anomaly—I thank the hon. Member for Woking (Mr Forster) for his debate on it—but nothing has been done to address it.

Packaging EPR fees will disproportionately affect generic medicines, where high-volume, low-margin products risk becoming commercially unviable, increasing the likelihood of supply disruption, medicine withdrawal from the UK and higher costs to the NHS. Medicines manufacturers have minimal flexibility to redesign packaging, because primary packaging is tightly regulated by the Medicines and Healthcare products Regulatory Agency.

The Government's one-size-fits-all approach is revealed again when we consider social enterprises. The Minister will no doubt be familiar with Belu, which supplies water for parliamentary catering—indeed, Belu water bottles are in front of us on the Table right now. Belu donates 100% of its net profits to WaterAid, which supports clean water, sanitation and hygiene programmes around the world. However, while charities are rightly exempt from EPR fees, no such exemption exists for social enterprises, which are treated exactly the same as for-profit companies. The result for Belu is £1.1 million of EPR costs over the next two years—money that would otherwise be donated to WaterAid.

The EPR system adds complexity and uncertainty for businesses. Baseline fees were not finalised until very shortly before liability for EPR was due to begin. Fee modulation remains unclear, and the system allows for retrospective fee calculation, potentially creating exposure to unplanned costs late in the financial cycle.

Ben Maguire (North Cornwall) (LD): I wanted to pick up on the hon. Lady's point about the complexity of the scheme, on top of the additional costs for small businesses. I have a fantastic vineyard in my constituency called Camel Valley, which has talked about spreadsheets being almost matrix-like—branded, non-branded and so on. It is so complicated for businesses to understand. Does the hon. Lady agree that as well as the punitive costs on our fantastic local breweries, vineyards and other businesses that she has described, it is the complexity of the scheme that is really holding back so many amazing businesses?

Sarah Champion: I completely agree with the hon. Member's points, because I agree with the polluter pays principle—I believe that is at the heart of this issue—but the people who are paying are our workers, our hospitality businesses and the poorest people in the world who would have been getting £1 million. They are the people

paying, not the polluters, because this policy is perversely driving businesses to using plastic, which surely is the exact opposite of what it should be trying to do.

With all of that in mind, it is hard to escape the conclusion that this is a poorly designed and implemented policy which is having a severe negative impact on British businesses. Despite these concerns, DEFRA has argued that the EPR will in fact create jobs, but that claim simply does not stand up to scrutiny. The figures are not based on official calculations and, critically, the jobs referenced are not comparable to those being lost. They are more likely to be lower-skilled, lower-paid roles in waste management, often at entirely different locations. These mythical jobs will not deliver the same economic value, will not support exports, and will not provide the same level of regional resilience. I must be very clear: we cannot replace high-skilled manufacturing jobs with lower-value roles and then claim an economic net gain. That is not growth; that is managed decline.

The EPR is also adding significant inflationary pressures that will be reflected in consumer prices. Producers expect to pass on the vast majority of EPR costs, often over 95%, to the end user. The upshot is that the EPR will not represent a boon to the public purse. On the contrary, this failed policy will cost the UK economy and that cost will be substantial.

I have raised these issues time and again, as have other Members. I have had meetings with Secretaries of State, Ministers and civil servants, and I have written, led debates and asked questions, all to no avail. This situation demands urgent action now, not a review in a year's time. It requires not minor adjustments but immediate intervention to sort out this deeply flawed policy.

The glass industry has been clear in its ask: a targeted, time-limited reduction in the glass EPR fees of at least 75%. This is not about abandoning the policy or doing a U-turn; it is about fixing it. The Minister has the opportunity today to stabilise demand, prevent further switching away from glass, protect jobs and investment, and buy time to assess properly the real-world impacts of her policy. Crucially, it would allow the Government to realign the policy with their own original environmental and economic objectives. More broadly, the Government must make sure that the EPR protects UK jobs and investment, that incentives towards less sustainable products are removed, that fees reflect real-world costs, and that businesses have the clarity they need to plan and invest for the future.

Across the many sectors that have raised concerns about the EPR, support for its core principle has been universal. Businesses want to play their part in a circular economy, but the current system is not working; it is driving the wrong behaviours, undermining UK businesses, and putting jobs, investment and regional growth at risk. If we continue to get this wrong, the consequences will not be measured in tonnes or targets; they will be measured in job losses, lost industries and lost opportunities for the communities, like mine, that need them most.

I urge the Minister today at the Dispatch Box to put this scheme back on track.

4.43 pm

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I will be brief, because I know something else is happening this evening that others want to engage in. I am not entirely sure what that is, but apparently it is quite popular.

I congratulate my hon. Friend the Member for Rotherham (Sarah Champion) on securing this debate. I know about the glass industry and she has rehearsed some of the arguments in particular for producers of beer. I have had similar correspondence from various agencies about the perversity of a weight-based system that precludes the use of a product that is infinitely usable and moves manufacturers towards plastic and thinner aluminium products because it is cheaper. I am sure the Minister will comment on that.

I want to talk about two things. I must first declare an interest as the vice-chair of the all-party parliamentary group on packaging in the circular economy, which is chaired excellently by my hon. Friend the Member for Redditch (Chris Bloore). I think it is quite clear that this is a good policy and a good system but that it has had some unintended consequences. We are trying to iron them out for the benefit of all.

In my constituency I have one of Premier Foods' Mr Kipling factories. It has done a considerable amount of work on reformulating its plastic from red trays so that it can be recycled. It has also looked at how it can use cardboard better. It has looked at the use of its plastic film, which is really important for the freshness of its products, but that is obviously a product that it is trying to phase out. The high cost of looking at using the newer systems, particularly those that are too small for registration, such as biodegradable or organic films, means that there is an incentive to stick with the plastic manufacturing, which is a challenge.

I also wanted to touch briefly on the ceramics industry—of course, no debate in this place is complete without mention of ceramics. I say that in jest, but one of the things that the ceramics sector is dependent on, particularly the giftware sector, is people buying a product that is often shipped around the country. Most of those organisations will have a turnover that means that their products and packaging are registerable under the scheme. If I go online and buy a product from the European Union—something of appreciable aesthetics but of a much lower quality—and it is brought into the UK, there is a price differential, because of the cost of the packaging that it is shipped in. It becomes a disincentive for the UK purchaser to buy a British product.

If companies are shipping certain products, such as ceramics or glass, they need to be absolutely certain that the packaging is sufficiently robust, due to the fragility of the product being shipped. There are not that many alternatives. I know that some in the sector have looked at cardboard, but cardboard is a move away from polystyrene, and polystyrene is cheaper by weight, so they stick with the product that is actually more damaging to the environment.

Finally, because I know Members will want to go and watch association football—I believe that is what is on right now—there is also an issue for small innovative packaging firms that are looking at new material. I know that the Minister is scheduled to meet, or may have already met, an organisation from Staffordshire called WoolCool. They are using wool as a packaging product, and it is entirely reusable. People can use it in their garden, and the birds can take it away to make nests and so on. It can be used for all sorts of lovely things, even as a thermal insulator. It is completely reusable.

However, the company is so small that it was rated “red” until recently, which means that no one really knows what is going on with the costings arrangements.

They end up not knowing what costs they might be faced with later on and, therefore, they do not know what costs they have to build into their business models. WoolCool is a small business that is trying to do something really ethical, and it is of real value to the local economy in Staffordshire. It is also trying to move away from those much more damaging products, but it is currently not sure what to do.

Can the Minister touch on how we will better engage with new manufacturers that are producing new materials such as wool? They have a real place in the future of our packaging industry and will create jobs in places such as Staffordshire. We need to ensure that they have an opportunity to grow and take away some of those damaging plastics, which is what we all want. I would be very grateful if the Minister could reflect on how we will make sure that the EPR weightings for those good, consumable products that we want the British public to buy, such as ceramics, are not disproportionately outpriced by foreign competitors because of our packaging rules in this country.

4.48 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mary Creagh): It is a pleasure to speak on this issue today. I thank my hon. Friend the Member for Rotherham (Sarah Champion) for securing this debate, and I thank all hon. Members who have spoken. We have heard from powerful advocates for the glass industry, the fibre-based composites industry, the ceramics industry, the wine industry in Cornwall and, of course, the beer and pub industry, which we are all hoping to go and enjoy shortly.

Let me begin by also declaring my interest as a member of the GMB trade union. I recognise the challenging context in which the glass industry operates; that is a result of a range of global pressures, including the international increases in energy costs, volatile commodity prices, growing international competition, and substantial investment in decarbonising energy-intensive manufacturing processes. I also recognise and acknowledge the industry's concerns about packaging extended producer responsibility, or PEPR, which is an internationally recognised model used in more than 30 countries to transform recycling services. The model shifts the cost of managing packaging waste from taxpayers—that is us—to the producers who put it on the market. It is the “polluter pays” principle in action. Its introduction in this country is the biggest change to recycling policy in 25 years.

The policy was formulated under the previous Conservative Government. The right hon. Member for Newark (Robert Jenrick) is no longer in his place, but it was his Government who first began developing it back in 2018-19. There was a debate on it on the Floor of the House, in which he did not register his objections, and he did not vote against it. Perhaps he was absent, or chatting to his new friends in a different party.

Since PEPR has been brought in, the money raised from packaging producers and retailers has gone directly to councils to fund the introduction of simpler recycling—the new recycling collections that we have. That does not include the food waste collections, although they are part of simpler recycling. Last year, PEPR raised over £1.4 billion for local authorities to deliver better

[*Mary Creagh*]

recycling services for people in every nation of the UK. Our goal is to get from 45% recycled—that is where we have stagnated over the last decade—to 65% recycled by 2035. That is an important goal. The food waste collections—they are not paid for through PEPR—are part of the simpler recycling reforms and a really important part of taking the methane out of our bins.

Let me come to glass fees. Last year, as my hon. Friend the Member for Rotherham rightly said, year 1 PEPR fees took account only of the weight and volume of materials. That reflected the cost to local authorities of collecting and disposing of the materials. Following her excellent Westminster Hall debate last year, we have worked at pace, and I am pleased to tell hon. Members that from this year—year 2—we are bringing in lower fees for more recyclable packaging.

Our latest data shows that more than 93% of glass will receive a “green” discount for being recyclable. This means that producers of harder-to-recycle “red” materials, such as crisp packets, will pay a premium. The system is designed to reward the right choices. The incentive to make the right choices will increase, because in years 3 and 4, producers of “red” materials—the more complex forms of packaging—will pay even higher fee rates than those do who use more recyclable, “green” materials, like glass. The forecasts that I have seen expect the glass sector to pay a decreasing share of PEPR costs in years 2 and 3. In year 4, that will fall even further, as the penalty for “red” packaging will reach double the basic “green” rate.

Sarah Champion: Can the Minister tell us whether that will be the 75% discount that the glass industry is asking for? Does she know what the falling rates will be, please?

Mary Creagh: Again, we have a complex system. I would very much like to give my hon. Friend the amounts per tonne, but that is not possible, much though I would like to give her comfort, until all packaging producers have reported their data in the autumn. We will then issue the invoices. I can say that the proportion that the glass sector will pay will fall year on year. We have been listening very carefully to the glass industry on that issue. PackUK, the scheme administrator, and officials at the Department for Environment, Food and Rural Affairs meet the glass sector and British Glass regularly, and PackUK ran a workshop just this week, which included British Glass, on how we can drive the use of more recyclable materials.

Everything that PackUK does is subject to four-nation agreement. We had a meeting this morning with the devolved Governments, at which we talked through some of the issues. Wales, Scotland and Northern Ireland face very different challenges, and the challenges of collecting in inner-city London are not comparable to those of collecting waste in the Outer Hebrides. The model is therefore complex from the recycling and collections point of view as well.

Returning to glass, PackUK and DEFRA officials will visit Ardagh Glass later this month. The visit was due to take place in June, but it was rescheduled at Ardagh’s request. PackUK also visited Encirc in Northern Ireland last month. I have spoken to the hon. Member for Runcorn and Helsby (Sarah Pochin) about the issue

around the reduction in energy fees, but those do not apply in Northern Ireland. That is another—well, we could talk about Brexit, but perhaps we will not intrude on that private pain.

May I also say that since we debated glass fees last year, DEFRA officials have visited five of the six major glass manufacturers in the UK to hear from them directly, and that includes Beatson Clark? We are acting on their concerns. Also, we have investment in the glass industry in this country; we have a new electric glass factory at Verallia in Leeds.

Sarah Champion: Will the Minister give way?

Mary Creagh: I want to make a little bit of progress, if I may, because it is four minutes to kick-off.

Sarah Champion: We have two and a half hours, Minister.

Mary Creagh: I want to make some progress, and my hon. Friend may find that I answer her questions.

PackUK has today published improved guidance on how recyclability will be assessed and rewarded. The glass section was developed in close collaboration with the glass industry and we have already received positive feedback. I hear what my hon. Friend the Member for Stoke-on-Trent Central (Gareth Snell) said about wool. When I see wool used as a coolant, it tends to come in plastic packaging, for hygiene reasons. That packaging can certainly be open up, and the wool can then be composted, but there is usually a film around it, and under the recyclability assessment methodology, that would incur higher fees. All this is meant to incentivise design for recyclability. I was due to meet a wool insulation provider this week. Sadly, I was not able to, but she was on her way down, and I believe that she met officials. I will check that later. I am keen to do work on this issue, because it is particularly important for the British wool industry, with wool at such rock-bottom prices.

We are planning to launch a call for evidence this year to gather industry views, which will inform how we continue to reward the right choices. On the post-implementation review, it will be conducted and published in the normal way, three years after the regulations came in. That is slated for December 2028.

Sarah Champion: It is reassuring that we are going to have the consultation. Would it not have been much better to have had it before the scheme was implemented? The Minister mentioned a meeting with my constituency business, Beatson Clark. That meeting only happened because I urged the previous Secretary of State and the Minister to make it happen, and I assume that the other examples of meetings that have taken place, or not, have been at the insistence of MPs. Why was that work not done before the scheme was rolled out?

Mary Creagh: I cannot speak for what happened under the previous Administration, but I can tell my hon. Friend that the scheme was announced in 2018, and a consultation happened in 2019. There was another consultation, but I cannot find the exact part of my pack on that. There was a full impact assessment of PEPR published in October 2020, setting out the expected overall costs to businesses. At that stage, it was not possible to assess the impact on specific sectors or regions, as fees and modulation had not been finalised.

This has been a huge infrastructure project change, and a huge system change. The Environment Agency, acting as the regulator, holds the database of everyone who is a packaging producer. Elsewhere in the waste and packaging sector, we see large issues around avoidance, free riding and other issues, so we had to go through a massive piece of work with our regulator to ensure that everyone who is putting packaging on is meeting their obligations.

There were public consultations in 2019 and 2021 and a consultation on draft regulations in 2023. There was a consultation with British Glass on the decision to use volume in the apportionment of kerbside recycling collection costs in July 2024, prior to the release of the initial set of illustrative base fees. I think that there was perhaps a misunderstanding, given that this had all been thought about and discussed for five or six years, that it was never going to happen. To be fair to the smaller companies, perhaps they were unaware of their obligations, or perhaps they were not obligated at that time, but have since grown and been brought over the de minimis threshold.

Let me talk a little bit more about what the Government are doing more widely to support glass businesses with their electricity costs.

Gareth Snell: I genuinely thank the Minister for being generous with her time. On the idea of a post-implementation review, is there a way of looking at the time that businesses have to spend interacting with the scheme? The Titanic brewery in Stoke-on-Trent—very good beer, by the way—has told me that it took three weeks of one employee's time to complete the assessment for the first year's fees. I am sure that that is not by design, but in the review, will the Department look at how to make interaction with the scheme easier for small businesses that do not have much capacity?

Mary Creagh: My hon. Friend makes an excellent point, and this is something that I have been insistent with officials on. This is a complex scheme, and the more complexity we add into it, the more time it will take. There is a trade-off here, and a set of difficulties, because we can do carve-outs for x and y sector, but that creates more complexity in the recycling assessment methodology calculations for other parts of the packaging industry. We have to beware of making perfection the enemy of the good. I can also let my hon. Friend know that the chief executive officer of PackUK, Jeremy Blake, met the WoolCool CEO yesterday. I thought that had happened, but I am glad to have got the note telling me it is true.

Beyond this, we are supporting the glass businesses with their electricity costs through the British industry supercharger. Glass businesses now receive 90% compensation for electricity network charges. This brings their total reduction in electricity bills to an average of between £65 and £87 per megawatt-hour. We are also supporting the retail, hospitality and leisure sectors with lower tax rates for their properties. On the issue around cheaper imports coming from overseas, the Trade Remedies Authority's independent anti-dumping and anti-subsidy investigations into cheaper glass imports from China and Turkey are ongoing. That is dealt with by another Government Department.

We are working closely with industry to address the challenge of dual use—packaging disposed of in either business or household waste streams. We know how

important this issue is to stakeholders across different sectors, including pubs, hospitality and medical packaging businesses, and construction. Indeed, I met a representative of the paint industry at a B&Q in my Coventry East constituency. Paint will always come in a tin or plastic container with a coating inside it, so it will never attract “green” fees, but we want to get that paint recycled, reused or repurposed. B&Q is doing some excellent work with the charity Neighbourly to ensure that paint has a second life. People do not know what to do with unused paint. Builders finish using a pot, then down into the drain the rest goes, adding to the diffuse water pollution that we are experiencing across our sewer network.

This is a tricky issue, but we need a system that can be effectively monitored and enforced. It is no good just saying, “Oh, everyone decides that all their stuff goes to the pubs” and then suddenly we are left with a massive shortfall in the fees, so it has to be verifiable. We are testing solutions, including for hospitality, and building on international best practice, looking in particular at the Austrian model. I held a roundtable with industry last year to look at solutions for the dual-use challenge. It is difficult, but I hope for a solution on this issue soon that does not add undue complexity to the scheme or make it impossible for the regulator to verify.

Gareth Snell: I am sorry to detain the House. I am not sure if a try has been scored yet, but I am sure somebody will find out—

Mary Creagh: A try!

Gareth Snell: The Minister mentioned the super-charger scheme and the impact for glass manufacturers. I know the super-charger scheme is not her Department, but it is only for frontier industries. Can she say whether or not glass bottle manufacturers that go into the hospitality sector benefit from that? My understanding was that they do not because they are not considered one of the glass fibres or the industrial glass needed for the frontier industries.

Mary Creagh: I am looking to my officials in the Box, and I think it is probably safest if I write to my hon. Friend on that issue.

Let me tell the House about the year 1 shortfall in fees. There was a shortfall in the fees this year as we allowed packaging producers to submit their tonnages and then their tonnages reduced because, obviously, they looked at their figures and reduced them. We listened to industry on that. Despite the regulations saying that actually industry should make up any shortfall, my Department took pressure off businesses by funding on an exceptional basis to hold fees down. We are taking steps this year to ensure that we do not have a repeat of that.

On early successes, we are hearing about PEPR bringing about change. Councils all over the UK are using this funding from the packaging industry to improve services to local people. In Tameside, the metropolitan council is investing £1.6 million in new vehicles and improved technology to deliver a more reliable service for taxpayers. Councils are investing to improve glass collection directly, which should benefit the industry in terms of the supply of high-quality cullet. For example, Aberdeenshire council is investing £5 million over 2 years to purchase a new three-compartment glass collection vehicle—I hope that

[*Mary Creagh*]

is “vehicles”, but it says “vehicle” here—upgrading glass recycling points to reduce contamination, and improving the quality of glass recyclate, which we know really matters to the glass industry.

Mr Forster: I thank the Minister for being generous with her time. I am sure she can probably understand why I, Asahi, which is based in Woking, the hon. Member for Rotherham (Sarah Champion) and others are not satisfied with her answers today. I have heard nothing of the double taxation, which is what EPR is. Will she agree to meet me, the hon. Member, other MPs and, more importantly, the businesses impacted to fully understand the impact and to work out a way forward?

Sarah Champion: Perhaps the hon. Member was distracted when I mentioned the issue of me holding a roundtable with all these industries on this very issue, but I am happy to meet colleagues from across the House on these issues. I explained in the point that he perhaps missed that it is tricky because it has to be regulatable—we have to ensure that the regulator can verify what would happen. Of course, it is a complex micro-econometric model. As soon as fees are reduced in one area, they go up in another area. That is the bottom line on all this.

Mr Forster: I might have been distracted in the last eight minutes—I do not know why. I remember hearing that the Minister said she has held a roundtable. I do remember that it was last year, and I am keen for her to meet the stakeholders again before this wider consultation and what happens next—hence my request.

Mary Creagh: Obviously, I do not sit there and do the maths with people. These suggestions and potential solutions have to be modelled and worked through. We are working at pace to assess whether any targeted short-term measures could be introduced through the forthcoming PEPR amending statutory instrument to partially address the dual-use packaging issue. So we are working on a short-term solution, but we are also working on a longer-term solution, which is the Austrian model that I mentioned. Again, the hon. Gentleman may have been distracted by the whistle when I mentioned that.

Councils across the country are rebranding and upgrading their glass recycling points to make it easier for households to use glass recycling facilities and to reduce the contamination that we know is so important to avoid in glassmaking. We have made a £5.3 million investment in that over a couple of years, and those changes are happening on the ground.

As my hon. Friend the Member for Rotherham said, reuse is not a short-term fix. It was once the norm when a lot of us—perhaps not all hon. Members present in the Chamber—were growing up, and it can be again. In some ways the future looks like the past—let us hope that is not the case for the England game. PEPR creates a powerful financial incentive for glass producers to move to reuse. Running reuse schemes means producers avoid most PEPR fee obligations, and glass, as we have heard, is a durable, tried and tested technology.

While it requires up-front investment and system change, it shifts costs away from single-use production and disposal, it improves supply chain resilience and reduces costs over time. Reuse is already operating at scale internationally, particularly for glass. Reusing a glass bottle just five times can reduce the greenhouse gas emissions by more than a third. The more times they are reused, the greater the benefits will be.

As we have heard today, the issue is not just about the environment; it is also about jobs, communities and the long-term health of British industry. The industry estimates that these reforms will create 25,000 jobs and underpin £10 billion of investment in new sorting and processing facilities. The reforms will drive that improvement in our recycling rate and, crucially, they will reduce our carbon emissions.

In conclusion, glass matters, industry matters and glassworkers matter. This Government back businesses and workers, and we back the transition to a circular economy that makes the country stronger, cleaner and more resilient. Change is coming to EPR and I reassure all hon. Members that we want to have a predictable, well set out framework within which business can confidently operate and householders can confidently know that what they put in their recycling streams is going to have a second, and hopefully third and fourth, life.

Question put and agreed to.

5.12 pm

House adjourned.

Deferred Divisions

EMPLOYMENT TRIBUNALS

That the draft Employment Tribunal (Extension of Time Limits) (Miscellaneous Amendments and Transitional Provisions) Regulations 2026, which were laid before this House on 28 April, in the last Session of Parliament, be approved.

The House divided: Ayes 323, Noes 107.

Division No. 44]

AYES

Abbott, Jack
 Abrahams, Debbie
 Ahmed, Dr Zubir
 Akehurst, Luke
 Alaba, Mr Bayo
 Alexander, rh Mr Douglas
 Al-Hassan, Sadik
 Ali, Tahir
 Anderson, Callum
 Anderson, Fleur
 Arthur, Dr Scott
 Asato, Jess
 Atkinson, Lewis
 Bailey, Olivia
 Baines, David
 Baker, Alex
 Baker, Richard
 Ballinger, Alex
 Bance, Antonia
 Barker, Paula
 Barron, Lee
 Barros-Curtis, Mr Alex
 Beales, Danny
 Bell, Torsten
 Berry, Siân
 Betts, Mr Clive
 Blackman, Kirsty
 Blake, Olivia
 Blake, Rachel
 Blundell, Mrs Elsie
 Bonavia, Kevin
 Botterill, Jade
 Brackenridge, Sureena
 Brash, Mr Jonathan
 Buckley, Julia
 Burgon, Richard
 Burke, Maureen
 Burnham, rh Andy
 Burton-Sampson, David
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Caliskan, Nesil
 Campbell, rh Sir Alan
 Campbell, Irene
 Campbell, Juliet
 Campbell-Savours, Markus
 Carden, Dan
 Carling, Sam
 Carns, Al
 Champion, Sarah
 Charters, Mr Luke
 Chowns, Dr Ellie
 Clark, Feryal
 Coleman, Ben
 Collier, Jacob
 Collins, Tom
 Coombes, Sarah
 Cooper, Andrew
 Cooper, Dr Beccy
 Corbyn, rh Jeremy
 Costigan, Deirdre
 Cox, Pam
 Coyle, Neil
 Craft, Jen
 Creagh, Mary
 Curtis, Chris
 Daby, Janet
 Dakin, Sir Nicholas
 Dalton, Ashley
 Darlington, Emily
 Davies, Ann
 Davies, Jonathan
 Davies, Paul
 Davies-Jones, Alex
 De Cordova, Marsha
 Dean, Josh
 Dearden, Kate
 Denyer, Carla (*Proxy vote cast by Siân Berry*)
 Dhesi, Mr Tanmanjeet Singh
 Dixon, Anna
 Dixon, Samantha
 Dodds, rh Anneliese
 Dollimore, Helena
 Doogan, Dave
 Doughty, Stephen
 Dowd, Peter
 Duncan-Jordan, Neil
 Eagle, Dame Angela
 Eagle, rh Maria
 Eccles, Cat
 Edwards, Sarah
 Efford, Clive
 Egan, Damien
 Entwistle, Kirith
 Evans, Chris
 Fahnbulleh, Miatta
 Falconer, Mr Hamish
 Farnsworth, Linsey
 Fenton-Glynn, Josh
 Ferguson, Mark
 Ferguson, Patricia
 Fleet, Natalie
 Foody, Emma
 Foster, Mr Paul
 Foxcroft, Vicky
 Foy, Mary Kelly
 Francis, Daniel
 Frith, Mr James
 Gardiner, Barry
 Gardner, Dr Allison
 Gelderd, Anna
 German, Gill
 Gilbert, Tracy
 Gill, Preet Kaur
 Glindon, Mary
 Goldsborough, Ben

Gosling, Jodie
 Grady, John
 Greenwood, Lillian
 Griffith, Dame Nia
 Hack, Amanda
 Hardy, Emma
 Harris, Carolyn
 Hatton, Lloyd
 Hayes, Helen
 Hazelgrove, Claire
 Healey, rh John
 Hillier, Dame Meg
 Hinchliff, Chris
 Hodgson, Mrs Sharon
 Hopkins, Rachel
 Hughes, Claire
 Huq, Dr Rupa
 Hurley, Patrick
 Hussain, Mr Adnan
 Hussain, Imran
 Ingham, Leigh
 Jameson, Sally
 Jogee, Adam
 Johnson, rh Dame Diana
 Johnson, Kim
 Jones, rh Darren
 Jones, Gerald
 Jones, Lillian
 Jones, Ruth
 Josan, Gurinder Singh
 Joseph, Sojan
 Juss, Warinder
 Kane, Mike
 Kaur, Satvir
 Kendall, rh Liz
 Khan, Afzal
 Khan, Naushabah
 Kinnock, Stephen
 Kirkham, Jayne
 Kitchen, Gen
 Kumar, Sonia
 Kumaran, Uma
 Kyle, rh Peter
 Lake, Ben
 Lamb, Peter
 Lammy, rh Mr David
 Lavery, Ian
 Law, Noah
 Leadbeater, Kim
 Lewell, Emma
 Lewin, Andrew
 Lewis, Clive
 Long Bailey, Rebecca
 MacAlister, Josh
 Macdonald, Alice (*Proxy vote cast by Sir Nicholas Dakin*)
 MacNae, Andy
 Madders, Justin
 Malhotra, Seema
 Maskell, Rachael
 Mather, Keir
 Mayer, Alex
 McAllister, Douglas
 McCarthy, Kerry
 McDonald, Andy
 McDonnell, rh John
 McDougall, Blair
 McEvoy, Lola
 McFadden, rh Pat
 McGovern, Alison
 McIntyre, Alex
 McKee, Gordon

McKenna, Kevin
 McKinnell, Catherine
 McMorris, Anna
 McNally, Frank
 McNeill, Kirsty
 Medi, Llinos (*Proxy vote cast by Ben Lake*)
 Midgley, Anneliese
 Minns, Ms Julie
 Mishra, Navendu
 Mohamed, Iqbal
 Moon, Perran
 Morden, Jessica
 Morris, Grahame
 Morris, Joe
 Mullane, Margaret
 Murray, Chris
 Murray, rh Ian
 Murray, rh James
 Murray, Katrina
 Myer, Luke
 Naish, James
 Naismith, Connor
 Nandy, rh Lisa
 Narayan, Kanishka
 Nash, Pamela
 Newbury, Josh
 Niblett, Samantha
 Nichols, Charlotte
 Norris, Alex
 Norris, Dan (*Proxy vote cast by Sir Nicholas Dakin*)
 Opher, Dr Simon
 Oppong-Asare, Ms Abena
 Osborne, Kate
 Osborne, Tristan
 Owen, Sarah
 Paffey, Darren
 Pakes, Andrew
 Payne, Michael
 Peacock, Stephanie
 Pearce, Jon
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Phillipson, rh Bridget
 Pinto-Duschinsky, David
 Pitcher, Lee
 Powell, Joe
 Poynton, Gregor
 Prinsley, Dr Peter
 Quigley, Richard
 Qureshi, Yasmin
 Ramsay, Adrian
 Ranger, Andrew
 Rayner, rh Angela
 Reed, rh Steve
 Reeves, rh Ellie
 Reynolds, rh Emma
 Reynolds, rh Jonathan
 Rhodes, Martin
 Ribeiro-Addy, Bell
 Riddell-Carpenter, Jenny
 Rimmer, Ms Marie (*Proxy vote cast by Rachael Maskell*)
 Robertson, Dave
 Roca, Tim
 Rodda, Matt
 Rushworth, Sam
 Russell, Sarah
 Rutland, Tom
 Ryan, Oliver

Sackman, Sarah
 Sandher, Dr Jeevun
 Sandher-Jones, Louise
 Saville Roberts, rh Liz
 Scrogham, Michelle
 Sowards, Mark
 Shanker, Baggy
 Shanks, Michael
 Slaughter, Andy
 Slinger, John
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Spencer, Hannah
 Stainbank, Euan
 Stevens, rh Jo
 Stevenson, Kenneth
 Stewart, Elaine
 Strathern, Alistair
 Streeting, rh Wes
 Strickland, Alan
 Stringer, Graham
 Sullivan, Kirsteen
 Sullivan, Dr Lauren
 Sultana, Zarah
 Swallow, Peter
 Tami, rh Sir Mark
 Tapp, Mike
 Taylor, David
 Thomas, Gareth

Thompson, Adam
 Thornberry, rh Emily
 Tidball, Dr Marie
 Timms, rh Sir Stephen
 Toale, Jessica
 Tomlinson, Dan
 Trickett, Jon
 Tufnell, Henry
 Turley, rh Anna
 Turmaine, Matt
 Turner, Laurence
 Twist, Liz
 Uppal, Harpreet
 Vaughan, Tony
 Vaz, rh Valerie
 Vince, Chris
 Wakeford, Christian
 Ward, Chris
 Waugh, Paul
 Webb, Chris
 West, Catherine
 Western, Matt
 Wheeler, Michael
 Whitby, John
 White, Jo
 Williams, David
 Witherden, Steve
 Woodcock, Sean
 Wrighting, Rosie
 Yang, Yuan
 Yasin, Mohammad
 Yemm, Steve
 Zeichner, Daniel

NOES

Allister, Jim
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Argar, rh Edward
 Bacon, Gareth
 Badenoch, rh Mrs Kemi
 Baldwin, Dame Harriett
 Bedford, Mr Peter
 Bhatti, Saqib
 Bool, Sarah
 Bowie, Andrew
 Bradley, rh Dame Karen
 Burghart, Alex
 Campbell, Mr Gregory
 Cartledge, James
 Cleverly, rh Sir James
 Clifton-Brown, Sir Geoffrey
 Cocking, Lewis
 Cooper, John
 Coutinho, rh Claire
 Cross, Harriet
 Davies, Gareth
 Davies, Mims
 Dinanage, Dame Caroline
 Dowden, rh Sir Oliver
 Easton, Alex
 Evans, Dr Luke
 Farage, Nigel
 Fortune, Peter
 Fox, Sir Ashley
 Francois, rh Mr Mark
 Freeman, George (*Proxy vote cast by Mike Wood*)
 Fuller, Richard
 Garnier, Mark

Patel, rh Priti
 Paul, Rebecca
 Philp, rh Chris
 Pochin, Sarah
 Pritchard, rh Mark
 Raja, Shivani (*Proxy vote cast by Mike Wood*)
 Rankin, Jack
 Reed, David
 Robertson, Joe
 Shannon, Jim
 Shastri-Hurst, Dr Neil
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Smith, Greg
 Smith, rh Sir Julian
 Smith, Rebecca
 Snowden, Mr Andrew
 Spencer, Dr Ben

Spencer, Patrick (*Proxy vote cast by Mike Wood*)
 Stafford, Gregory
 Stephenson, Blake
 Stride, rh Sir Mel
 Swann, Robin
 Swayne, rh Sir Desmond
 Thomas, Bradley
 Tice, Richard
 Timothy, Nick
 Trott, rh Laura
 Vickers, Martin
 Vickers, Matt
 Whittingdale, rh Sir John
 Wild, James
 Williamson, rh Sir Gavin
 Wilson, rh Sammy
 Wood, Mike
 Wright, rh Sir Jeremy

Question accordingly agreed to.

That the draft Employment Tribunals Extension of Jurisdiction (England and Wales) (Amendment) Order 2026, which was laid before this House on 28 April, in the last Session of Parliament, be approved.

The House divided: Ayes 318, Noes 107.

Division No. 45]

AYES

Abbott, Jack
 Abrahams, Debbie
 Ahmed, Dr Zubir
 Akehurst, Luke
 Alaba, Mr Bayo
 Alexander, rh Mr Douglas
 Al-Hassan, Sadik
 Ali, Tahir
 Anderson, Callum
 Anderson, Fleur
 Arthur, Dr Scott
 Asato, Jess
 Atkinson, Lewis
 Bailey, Olivia
 Baines, David
 Baker, Alex
 Baker, Richard
 Ballinger, Alex
 Bance, Antonia
 Barker, Paula
 Barron, Lee
 Barros-Curtis, Mr Alex
 Beales, Danny
 Bell, Torsten
 Berry, Siân
 Betts, Mr Clive
 Blake, Olivia
 Blake, Rachel
 Blundell, Mrs Elsie
 Bonavia, Kevin
 Botterill, Jade
 Brackenridge, Sureena
 Brash, Mr Jonathan
 Buckley, Julia
 Burgon, Richard
 Burnham, rh Andy
 Burton-Sampson, David
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Caliskan, Nesil

Campbell, rh Sir Alan
 Campbell, Irene
 Campbell, Juliet
 Campbell-Savours, Markus
 Carden, Dan
 Carling, Sam
 Carns, Al
 Champion, Sarah
 Charters, Mr Luke
 Chowns, Dr Ellie
 Clark, Feryal
 Coleman, Ben
 Collier, Jacob
 Collins, Tom
 Coombes, Sarah
 Cooper, Andrew
 Cooper, Dr Beccy
 Corbyn, rh Jeremy
 Costigan, Deirdre
 Cox, Pam
 Coyle, Neil
 Craft, Jen
 Creagh, Mary
 Curtis, Chris
 Daby, Janet
 Dakin, Sir Nicholas
 Dalton, Ashley
 Darlington, Emily
 Davies, Ann
 Davies, Jonathan
 Davies, Paul
 Davies-Jones, Alex
 Dean, Josh
 Dearden, Kate
 Denyer, Carla (*Proxy vote cast by Siân Berry*)
 Dhesi, Mr Tanmanjeet Singh
 Dixon, Anna
 Dixon, Samantha
 Dodds, rh Anneliese
 Dollimore, Helena

Doughty, Stephen
 Dowd, Peter
 Duncan-Jordan, Neil
 Eagle, Dame Angela
 Eagle, rh Maria
 Eccles, Cat
 Edwards, Sarah
 Efford, Clive
 Egan, Damien
 Entwistle, Kirith
 Evans, Chris
 Fahnbulleh, Miatta
 Falconer, Mr Hamish
 Farnsworth, Linsey
 Fenton-Glynn, Josh
 Ferguson, Mark
 Ferguson, Patricia
 Fleet, Natalie
 Foody, Emma
 Foxcroft, Vicky
 Foy, Mary Kelly
 Francis, Daniel
 Frith, Mr James
 Gardiner, Barry
 Gardner, Dr Allison
 Gelderd, Anna
 German, Gill
 Gilbert, Tracy
 Gill, Preet Kaur
 Glindon, Mary
 Goldsborough, Ben
 Gosling, Jodie
 Grady, John
 Greenwood, Lilian
 Griffith, Dame Nia
 Hack, Amanda
 Hardy, Emma
 Harris, Carolyn
 Hatton, Lloyd
 Hayes, Helen
 Hazelgrove, Claire
 Healey, rh John
 Hillier, Dame Meg
 Hinchliff, Chris
 Hodgson, Mrs Sharon
 Hopkins, Rachel
 Hughes, Claire
 Huq, Dr Rupa
 Hurley, Patrick
 Hussain, Mr Adnan
 Hussain, Imran
 Ingham, Leigh
 Jameson, Sally
 Jogee, Adam
 Johnson, rh Dame Diana
 Johnson, Kim
 Jones, rh Darren
 Jones, Gerald
 Jones, Lillian
 Jones, Ruth
 Josan, Gurinder Singh
 Joseph, Sojan
 Juss, Warinder
 Kane, Mike
 Kaur, Satvir
 Kendall, rh Liz
 Khan, Afzal
 Khan, Naushabah
 Kinnock, Stephen
 Kirkham, Jayne
 Kitchen, Gen
 Kumar, Sonia

Kumaran, Uma
 Kyle, rh Peter
 Lake, Ben
 Lamb, Peter
 Lammy, rh Mr David
 Lavery, Ian
 Law, Noah
 Leadbeater, Kim
 Lewell, Emma
 Lewin, Andrew
 Lewis, Clive
 Long Bailey, Rebecca
 MacAlister, Josh
 Macdonald, Alice (*Proxy vote cast by Sir Nicholas Dakin*)
 MacNae, Andy
 Madders, Justin
 Malhotra, Seema
 Maskell, Rachael
 Mather, Keir
 Mayer, Alex
 McAllister, Douglas
 McCarthy, Kerry
 McDonald, Andy
 McDonnell, rh John
 McDougall, Blair
 McEvoy, Lola
 McFadden, rh Pat
 McGovern, Alison
 McIntyre, Alex
 McKee, Gordon
 McKenna, Kevin
 McKinnell, Catherine
 McMorris, Anna
 McNally, Frank
 McNeill, Kirsty
 Medi, Llinos (*Proxy vote cast by Ben Lake*)
 Midgley, Anneliese
 Minns, Ms Julie
 Mishra, Navendu
 Mohamed, Iqbal
 Moon, Perran
 Morden, Jessica
 Morris, Grahame
 Morris, Joe
 Mullane, Margaret
 Murray, Chris
 Murray, rh Ian
 Murray, rh James
 Murray, Katrina
 Myer, Luke
 Naish, James
 Naismith, Connor
 Nandy, rh Lisa
 Narayan, Kanishka
 Nash, Pamela
 Newbury, Josh
 Niblett, Samantha
 Nichols, Charlotte
 Norris, Alex
 Norris, Dan (*Proxy vote cast by Sir Nicholas Dakin*)
 Opher, Dr Simon
 Oppong-Asare, Ms Abena
 Osborne, Kate
 Osborne, Tristan
 Owen, Sarah
 Paffey, Darren
 Pakes, Andrew
 Payne, Michael
 Peacock, Stephanie

Pearce, Jon
 Pennycook, Matthew
 Perkins, Mr Toby
 Phillips, Jess
 Phillipson, rh Bridget
 Pinto-Duschinsky, David
 Pitcher, Lee
 Powell, Joe
 Poynton, Gregor
 Prinsley, Dr Peter
 Quigley, Richard
 Qureshi, Yasmin
 Ramsay, Adrian
 Ranger, Andrew
 Rayner, rh Angela
 Reed, rh Steve
 Reeves, rh Ellie
 Reynolds, rh Emma
 Reynolds, rh Jonathan
 Rhodes, Martin
 Ribeiro-Addy, Bell
 Riddell-Carpenter, Jenny
 Rimmer, Ms Marie (*Proxy vote cast by Rachael Maskell*)
 Robertson, Dave
 Roca, Tim
 Rodda, Matt
 Rushworth, Sam
 Russell, Sarah
 Rutland, Tom
 Ryan, Oliver
 Sackman, Sarah
 Sandher, Dr Jeevun
 Sandher-Jones, Louise
 Saville Roberts, rh Liz
 Scroggum, Michelle
 Sowards, Mark
 Shanker, Baggy
 Shanks, Michael
 Slaughter, Andy
 Slinger, John
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Spencer, Hannah
 Stainbank, Euan

Stevens, rh Jo
 Stevenson, Kenneth
 Stewart, Elaine
 Strathern, Alistair
 Streeting, rh Wes
 Strickland, Alan
 Stringer, Graham
 Sullivan, Kirsteen
 Sullivan, Dr Lauren
 Sultana, Zarah
 Swallow, Peter
 Tami, rh Sir Mark
 Tapp, Mike
 Taylor, David
 Thomas, Gareth
 Thompson, Adam
 Thornberry, rh Emily
 Tidball, Dr Marie
 Timms, rh Sir Stephen
 Toale, Jessica
 Tomlinson, Dan
 Trickett, Jon
 Tufnell, Henry
 Turley, rh Anna
 Turmaine, Matt
 Turner, Laurence
 Twist, Liz
 Uppal, Harpreet
 Vaughan, Tony
 Vaz, rh Valerie
 Vince, Chris
 Wakeford, Christian
 Ward, Chris
 Waugh, Paul
 Webb, Chris
 West, Catherine
 Western, Matt
 Wheeler, Michael
 Whitby, John
 White, Jo
 Williams, David
 Witherden, Steve
 Woodcock, Sean
 Wrighting, Rosie
 Yang, Yuan
 Yasin, Mohammad
 Yemm, Steve
 Zeichner, Daniel

NOES

Allister, Jim
 Anderson, Lee
 Anderson, Stuart
 Andrew, rh Stuart
 Argar, rh Edward
 Bacon, Gareth
 Badenoch, rh Mrs Kemi
 Baldwin, Dame Harriett
 Bedford, Mr Peter
 Bhatti, Saqib
 Bool, Sarah
 Bowie, Andrew
 Bradley, rh Dame Karen
 Burghart, Alex
 Campbell, Mr Gregory
 Cartledge, James
 Cleverly, rh Sir James
 Clifton-Brown, Sir Geoffrey
 Cocking, Lewis
 Cooper, John
 Coutinho, rh Claire
 Cross, Harriet
 Davies, Gareth
 Davies, Mims
 Dinenage, Dame Caroline
 Dowden, rh Sir Oliver
 Easton, Alex
 Evans, Dr Luke
 Farage, Nigel
 Fortune, Peter
 Fox, Sir Ashley
 Francois, rh Mr Mark
 Freeman, George (*Proxy vote cast by Mike Wood*)
 Fuller, Richard
 Garnier, Mark
 Glen, rh John
 Grant, Helen
 Griffith, Andrew
 Harris, Rebecca

Hayes, rh Sir John
 Hoare, Simon
 Hollinrake, Kevin
 Holmes, Paul
 Huddleston, Nigel
 Hudson, Dr Neil
 Hunt, rh Sir Jeremy
 Jenkin, Sir Bernard
 Johnson, Dr Caroline
 Jopp, Lincoln
 Kearns, Alicia
 Lam, Katie
 Lamont, John
 Lewis, rh Sir Julian
 Lockhart, Carla
 Lopez, Julia
 Lumsden, Douglas
 Mak, Alan
 Malthouse, rh Kit
 Mayhew, Jerome

McMurdock, James
 McVey, rh Esther
 Mitchell, rh Sir Andrew
 Mohindra, Mr Gagan
 Morrissey, Joy
 Morton, rh Wendy
 Mullan, Dr Kieran
 Mundell, rh David
 Murrison, rh Dr Andrew
 Norman, rh Jesse
 Obese-Jecty, Ben
 O'Brien, Neil
 Patel, rh Priti
 Paul, Rebecca
 Philp, rh Chris
 Pochin, Sarah
 Pritchard, rh Mark
 Raja, Shivani (*Proxy vote cast
 by Mike Wood*)
 Rankin, Jack

Reed, David
 Robertson, Joe
 Shannon, Jim
 Shastri-Hurst, Dr Neil
 Shelbrooke, rh Sir Alec
 Simmonds, David
 Smith, Greg
 Smith, rh Sir Julian
 Smith, Rebecca
 Snowden, Mr Andrew
 Spencer, Dr Ben
 Spencer, Patrick (*Proxy vote
 cast by Mike Wood*)
 Stafford, Gregory
 Stephenson, Blake
 Stride, rh Sir Mel

Swann, Robin
 Swayne, rh Sir
 Desmond
 Thomas, Bradley
 Tice, Richard
 Timothy, Nick
 Trott, rh Laura
 Vickers, Martin
 Vickers, Matt
 Whittingdale, rh Sir John
 Wild, James
 Williamson, rh Sir Gavin
 Wilson, rh Sammy
 Wood, Mike
 Wright, rh Sir Jeremy

Question accordingly agreed to.

Westminster Hall

Wednesday 1 July 2026

[MATT WESTERN *in the Chair*]

MPs' Second Jobs: Prohibition

9.30 am

Matt Western (in the Chair): Before I call Richard Burgon, I would like to make a point to Members contributing to this morning's debate. I remind Members to be careful if they choose to refer to other Members in this debate. If you wish to refer to a specific Member, you should have given them notice, and I would appreciate it if you mentioned this in your remarks. Please also ensure that your comments are, as always, appropriate.

Richard Burgon (Leeds East) (Lab): I beg to move,

That this House has considered the potential merits of a prohibition of second jobs for hon. Members.

It is a great pleasure to serve under your chairship, Mr Western. I am delighted to have secured this debate, but let us be totally honest from the start: confidence in our politics has collapsed. People look at Westminster and see a political system increasingly disconnected from their lives. They see stories about freebies, dodgy donations and so-called gifts, and they see politicians collecting six-figure sums from second jobs. They know that the system is not working for them, and it chips away at the public's trust in Parliament; it damages their confidence in democracy.

If we want politics to serve the people, not elite interests, we are going to have to take bold action. That is why I have called this debate today. Banning MPs' second jobs is one of the key steps to restore trust in politics. I hope that the incoming Prime Minister, when giving their speech on the steps of Downing Street in the coming weeks, commits to real action to clean up our politics, because there are very dangerous forces out there that want to take advantage of public distrust to roll back basic democratic norms, as we have seen in the United States.

Before I turn to why we must ban MPs' second jobs, I want to look at the scale of the problem. All the figures I will reference today are from Sky News's Westminster Accounts, a database compiled from the Register of Members' Financial Interests. I commend those journalists on the work they have done, but I also want to put on record how unacceptable it is that the public cannot easily access clear information about MPs' second jobs on Parliament's own website. The Westminster Accounts has had to navigate the fiendishly complex way Parliament reports this, so there may well be discrepancies in the data, but if so, that is not the fault of the journalists; it is a failure of parliamentary transparency. Parliament needs to address that and start providing this information in a much more accessible way.

In total, MPs have taken an eye-watering £11 million in outside earnings since the general election. The top 10 MPs account for over £7 million in total, so just 10 MPs have pocketed nearly two thirds of all second job money declared.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on securing this timely debate. He is rightly elaborating on the need for more transparency, and he just alluded to the 10 Members whose second job income comprises the vast majority of the total. When this debate comes into the public domain, the question that always runs beside it is, "What do we need to pay MPs to preclude the need or the desire for second jobs?" Does he agree that that issue has to be dealt with, and does he think the public would be satisfied with a salary for MPs of £120,000 or £150,000 in order to preclude a small number from earning massive sums?

Richard Burgon: I must confess, when I have been out and about in my constituency and in others, I have never met anyone who says, "What we really need to do is pay MPs more." We are already in the top 5% of earners, so I do not think that paying MPs more is the issue. Being an MP is an incredible privilege—an incredibly well-paid privilege. It is second jobs that we want to stop; we do not want to argue for further pay rises for already very well-paid MPs.

We talk about second jobs, but for some MPs there are third jobs, fourth jobs, fifth jobs, sixth jobs and many more. For some, it seems, being an MP is the second job. I am opposed to MPs having second jobs, whether those MPs are Conservative, Reform, Labour or from any other party. I do not say this to make a party political point, but it is a fact that the top 10 includes eight Conservative and two Reform MPs, including Reform's party leader. Beyond the top 10, looking at all MPs' outside earnings, Conservative MPs account for around 66% of the total, Reform MPs around 20%, and Labour MPs around 7%.

Can I just say—because it needs to be said—that I am disappointed that the hon. Member for Clacton (Nigel Farage), the leader of Reform, is not here? On Monday, I wrote to him publicly, inviting him to come and explain why MPs should be allowed to rake in vast sums from second jobs. Yesterday it came to light that he has been getting paid £22,500 per hour promoting a gold dealer, which takes his second job earnings to approaching £2 million in just two years since the general election. That is more than £22,000 per hour for a man who last year argued that a minimum wage of £10.85 per hour for young people in his constituency, my constituency and constituencies across the country may be too much. Some man of the people! It is all very Donald Trump.

We hear a lot about why second jobs are acceptable, but the public know that when an MP can earn more for a couple of hours' so-called work than a nurse earns in a year, there is something deeply broken in our politics and change is needed. There is no doubting the scale of the problem.

In 2022, I presented the Members of Parliament (Prohibition of Second Jobs) (Motion) Bill, a private Member's Bill for a total ban on MPs' second jobs. I hope that can become law under the new Prime Minister. I welcome the steps taken by this Government to restrict second jobs, but so far they go nowhere near far enough. We need a proper ban. The key principle of my Bill is straightforward. Being an MP is a well-paid privilege. The nearly £100,000 a year salary places us in the highest 5% of earners in the country, so being an MP should be a full-time job. The public elect us to

[Richard Burgon]

represent them, to fight their corner and to devote our time to their concerns. They do not elect MPs to spend their time lining their pockets. When MPs do that, they short-change the public who pay them and they undermine our democracy. We even have 18 MPs who have been paid more from their second jobs than from their MP's salary. For them, it seems, that being a Member of Parliament is a second job.

If someone wishes to pursue a highly paid private sector career, they are entitled to do so. But if that is the MP's priority, they should resign. Our democracy would be better for it. We do not need MPs here chasing ever more cash. Another obvious reason to ban MPs' second jobs is that they create real conflicts of interest. An MP should have one loyalty—loyalty to the people who sent them here. The moment other employers pay an MP tens of thousands, hundreds of thousands or in some cases even well over a million, divided loyalties arise. People rightly ask, "Who comes first: the constituents who elected them or the company paying them?" No one can serve two masters.

Even if people claim there is no conflict of interest, it is clear that second jobs fuel a growing sense that politics is becoming detached from everyday life. Politics should be about public service, not personal enrichment. So many families across the country are under massive financial pressure, struggling through no fault of their own. They work long hours, struggle with rising bills and worry themselves sick about making ends meet. Is it any surprise that people are angry when MPs get more from their second jobs than ordinary workers earn in a year?

I have campaigned against second jobs for many years. When I do, one argument always gets raised. We are told that second jobs provide valuable real-world experience. Frankly, that argument is laughable. Highly paid second jobs do not bring MPs closer to the real world, because real people do not live like that. Huge second salaries are the experience of a tiny elite, not of the vast majority of constituents we are here to serve.

It is funny that the MPs who claim to want real-world experience never seem to find it doing the jobs of ordinary workers, such as stacking shelves, driving buses or caring for the elderly in a care home. I did not find too many of those jobs in the list of MPs' extra earnings. The reason is obvious: it is really about getting money, not real-world experience. If MPs genuinely wanted real-world experience, they would seek it where real people actually work, not in corporate board rooms. When people say that Parliament should benefit from a diverse range of life experience and professional expertise, I totally agree; but that should be from the experiences they gained before being elected, not from corporate contracts secured because they are MPs.

The other argument we always hear is that a ban would be too difficult, but it would not. My Bill shows exactly how it can be done. It would prohibit MPs from holding paid second jobs, while allowing sensible exceptions. The Bill is not about stopping a genuine public service. A doctor or nurse treating patients is serving the public; sitting on a corporate board for large pay cheques is not. My Bill would not stop someone doing the limited hours of work needed to maintain professional

qualifications, nor would it stop someone working out a short notice period when unexpectedly elected to Parliament.

Rachael Maskell (York Central) (Lab/Co-op): I am grateful to my hon. Friend for securing today's debate. When he talks about second jobs, I think about my constituents who have to work second jobs to pay the bills. That is where our attention should be focused. On professional qualifications, I recognise that being an MP is a full-time job. As a result, my professional qualifications had to fall, because I needed to give myself to my constituents 24/7. Will he look again at that provision in his Bill? The work we do here must be for our constituents, and we must not be distracted from that, even by professional roles such as the one I once held.

Richard Burgon: I thank my hon. Friend for her important point. The details of the Bill could be debated and amended in the House and at Committee stage, if it were taken forward, as I invite the next Prime Minister to do. I was trying to make the point that, if someone needs to do a handful of hours per year to remain on a professional register, I would have no objection. Perhaps the Bill can be enhanced and improved, including by my hon. Friend, if it progresses further. Beyond the limited exceptions that I have outlined, the practice of second jobs should end.

Ben Lake (Ceredigion Preseli) (PC): I thank the hon. Member for securing this debate and for the way that he has outlined the issue at hand. I also commend him on the Bill that he brought forward. Does he agree that in the interim, as the Bill progressed through Parliament, there other steps that we could be take, such as changing Standing Orders and the code of conduct, and particularly in political parties? My own party has prohibited MPs from taking any other occupation.

Richard Burgon: The hon. Member has come forward with a very good idea. Of course, a party could change its own rules and expectations in that regard, but to fully clean up politics, I think that this should be passed by Parliament. This issue is going through the Modernisation Committee at the moment, and the discussions taking place there are very important.

Some will say that my restrictions are too tough. They are tough, but trust in politics has been damaged over many years, and rebuilding that trust requires bold action. That is what the public want. Parliament must show that it understands that the rot runs deep and cannot be tackled with half measures. There should be no more reviews or excuses; action is needed. I hope that the next Prime Minister will help to clean up politics and defend our democracy, starting by ending the ludicrous gravy train of MPs' second jobs, which quite rightly turns the public's stomachs.

Matt Western (in the Chair): I remind Members that they should bob if they wish to be called in the debate. After the next speech, I will be reducing speeches to five minutes.

9.46 am

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairship, Mr Western. I thank the hon. Member for Leeds East (Richard Burgon), who

often brings forward subjects that are close to all of our hearts. I would like to share some personal experience, and I think other Members will want to do the same. This is an important and complex issue that depends greatly on context. While I agree with what he and others have said, he mentioned some things in his speech that honestly concern me greatly, and I would gently say that we should look at individual cases.

As the Member of Parliament for Strangford since 2010, I am deeply committed to serving my constituents to the best of my ability. I believe that to deliver for my constituents is my priority in this place. When I became an MP in 2010, I decided that the best way for me to fulfil that responsibility was to give up my other jobs. I am not better than anybody else—

Matt Western (in the Chair): Order. Can I ask the hon. Gentleman to speak a little bit more loudly? We seem to be having a few issues with the audio today.

Jim Shannon: I have moved the mic a bit closer, so hopefully that will catch my words. When I became an MP in 2010, I was also a councillor; I served on Ards borough council for 26 years. I was also a Member of the Legislative Assembly for 12 years. I would have loved to stay on as a councillor, because I loved the work and that was where my heart was, but I realised that that was not going to happen. I would not be able to jump on a plane and come across to Westminster and be home in time for a meeting that night. Looking at the physical practicalities of it all, I resigned from both of those positions. I did hold all three for two months, but that was during the summer months when there were fewer meetings. I also had my own business, which I started in 1985. I gifted that business to my son. Personally speaking, this is now my one job, and it is all I can do if I want to give it my best shot and do the best I can. None the less, I do not believe that all Members should automatically be required to give up outside employment if it has no impact on their ability to do their job here.

Members should be permitted to consider carefully whether any additional role could compromise their ability to carry out effectively their duties as an MP. Are they being lobbied by certain groups? I say this respectfully and kindly, because I have no evidence to prove anything and therefore I will not say anything more specific; that would be wrong, but I hope that having other jobs would not unnecessarily influence a Member's capability to do the job that they are committed to here.

Mr Gregory Campbell: On the issue of any complexity adversely affecting a Member's ability in the House, does my hon. Friend agree that while we all should be open and transparent and the register should be kept up to date, as the mover of the motion said, the final arbiter on all these issues has to be the voters? When the voters decide that a small number of MPs may be getting extraordinarily large, unacceptably large, sums of money, they decide at the election that they do not want that and they replace them with someone else.

Jim Shannon: Yes. Ultimately, our electorate makes that decision. That applies in any sphere and to any action that an MP may carry out. I thank my hon. Friend for his intervention.

In my view, a complete restriction on second jobs would be an unfair limitation on Members. What do I mean by that? I agree with almost 99.9% of what the hon. Member for Leeds East said; I just think that sometimes we need to look at the thing in a bigger way. I fully recognise that outside interests must be strictly regulated. There must be conditions; there has to be a declaration of all interests, and that has to be transparent. Wherever the things are, there must be an explanation, and it must fall within the rules of the House. Any changes made to the rules set by the Independent Parliamentary Standards Authority and the House of Commons code of conduct should provide clear guidance for Members and constituents alike.

Many Members bring to the House valuable professional experience and expertise from outside interests. They bring knowledge. We all do that from our walks of life—individually, from the people we have represented over the years or perhaps just from the social circle that we move in. Maintaining links with professions when it is appropriate to do so has the potential to strengthen the quality of parliamentary debates, improve the scrutiny of legislation and ensure that Members remain connected to the experiences and challenges faced by people outside our offices and Westminster. That is the very thing that the hon. Member for Leeds East referred to—those experiences, and those interactions with our constituents.

On a personal note, my job and my business was selling bacon and sausage. I sold everything in the pig except for the squeak, and that is a fact, and it reared my family. It kept my wife at home to look after the children. We got a good holiday every year, and it paid the mortgage. We did well out of it, but way back when I was doing that—I have to cast my mind back—I was up at 5 am, went home and showered and was in the office for 9. My employee would carry on the run for the rest of the day. In all those years I was in the Assembly, we did that, but when I was elected to Westminster, I recognised that that was just never going to happen, so I gifted the business to my son. It was no longer a matter of nipping home after the run. I could not just nip home and go from Newtownards to London. It would be impossible to do the job well. I was able to do both back then, but I could never do that again; it just cannot happen. My duty was and should always be to my Strangford constituents. That is how it must be, and how it has been since 2010.

Members are ultimately elected in service of the public. Maintaining public confidence is of the utmost importance. The hon. Member for Leeds East referred to confidence, and I also think that is a critical factor. Transparency and accountability are two issues that must be at the heart of any reforms, but I think that public confidence may be the key issue. Constituents should have confidence that Members' outside interests do not interfere with their primary responsibilities of representation in this place.

I want to also underline the fact that we pay Sinn Féin MPs to not take their seats here and carry out their most basic functions. If we are to change anything, perhaps it should be their eligibility for election.

I believe that those who can easily carry out a few hours of work must be able to do so, in so far as they still perform their roles in this House. I always think of that old adage, "If you want something done, give it to a busy person." Perhaps we should allow Members to

[*Jim Shannon*]

strike that balance. I have tried to strike that balance. I try to live my life in such a way that I practise what I preach. I can only do the one job; I cannot do any more, and I recognise that. Although I agree with 99.9% of what the hon. Member for Leeds East said, I do think it is better that Members should make their own choice.

Matt Western (in the Chair): With immediate effect, I ask Members to keep their speeches to around five minutes.

9.55 am

Phil Brickell (Bolton West) (Lab): It is a pleasure to serve under your chairship, Mr Western. I congratulate my hon. Friend the Member for Leeds East (Richard Burgon) on securing the debate and on his extremely powerful speech. Despite being members of the same party, we come from very different traditions within the labour movement, but I am pleased that on this issue—one that is critical to commanding public confidence in the mother of all Parliaments—we are in violent agreement. I declare an interest as the chair of the all-party parliamentary group on anti-corruption and responsible tax, which builds on my experience at two FTSE 100 firms advising on, among other things, how to manage conflicts of interest.

Let us remind ourselves that only 4% of the public believe politicians do what is best for the country, according to YouGov, while polling from More in Common found that 87% of Britons have either not very much or no trust in politicians. Despite reforms made shortly after the last general election, despite our own registration and code of conduct requirements, which are independently policed by the Parliamentary Commissioner for Standards, and despite an ongoing inquiry into outside employment being undertaken by the Committee on Standards, this institution is not moving swiftly enough or with enough ambition to satisfy me that I can look my constituents in the eye and tell them that the risks—perceived or actual—around outside employment are properly managed to my satisfaction.

I mentioned those measures taken or in train because I give credit where credit is due. It would be remiss of me to say that nothing has been done—clearly that is not the case. The Government's decision to remove the exemption that allowed MPs to provide advice on current affairs and how Parliament works was very welcome, but the issue has not gone away. Before, it was Owen Paterson, Matt Hancock, Nadine Dorries and Scott Benton who caused significant damage to the reputation of individual Members of Parliament and our democratic institutions, but now we have other Members of this House racking up huge salaries elsewhere. They have been warned in advance that I intend to mention them today.

Take the hon. Member for Clacton (Nigel Farage), who is conspicuous, as ever, by his absence. He has declared a total of 16 other jobs and around 800 hours worked alongside his role as a Member of this place. Just yesterday, the *Financial Times* reported that he is receiving £22,500 an hour for promoting a gold bullion dealer—not bad for someone who has also received what he has variously described as a “gift” or a “reward” from his billionaire crypto backer, Christopher Harborne. Mr Western, you know my views about money in politics from past conversations.

Meanwhile, the right hon. and learned Member for Torridge and Tavistock (Sir Geoffrey Cox) chalked up around 500 hours of outside employment in the last year. Indeed, the £60,000 paid out by a Luxembourg bank in May alone is one and a half times the average national salary. Do the people of Clacton or of Torridge and Tavistock not deserve a full-time MP?

On 6 November 2024, the Modernisation Committee invited the Committee on Standards to inquire into whether outside interests or employment should be reformed in the Members' code of conduct. I think the Standards Committee is still hearing evidence; the last evidence was heard on 15 July 2025, and no report has yet been published. Regrettably, it feels like we are moving at a glacial speed, when outside these walls, business is going on at an increasingly fast-moving pace.

In my old line of work as an anti-bribery and corruption compliance specialist, it would be unheard of for an employee to be holding down two jobs, unless they held part-time elected office or were, for instance, an armed forces reservist. Why are second jobs permitted? In my view, they are a hangover from Victorian days. They do not reflect modern ways of working and do not account for modern demands on any hon. Member's time, including 24/7 rolling news and constituents making contact by email or phone. I say yes to continuous professional development, but we are living in a wild-west scenario with no controls on how much time is spent, or how much income can be gained, on work outside Parliament.

Members can earn 10 times their parliamentary salary on what are supposedly second, third or even fourth jobs. That gives rise to a question that any member of the public would be within their right to ask: if a Member of this House is earning more outside the House than they are as a Member, is being an elected representative not in fact their second job and their lower priority? That matters because it gives the impression that Members' obligations in this place are not at the forefront of our minds.

Mooted reforms to lobbying and civil service governance must sit alongside modernisation of how this place operates if we are to build a functional 21st century system that prevents inherent conflicts of interest from arising and encourages the right behaviours from all Members. If we expect the ministerial code to be updated, electoral law to be reformed and the revolving door to be policed more stridently, we should also expect demands on this place to be tightened.

I agree with the likes of Transparency International and my hon. Friend the Member for Leeds East that there should be a total proscription on all secondary employment, except in order to maintain a professional qualification, undertake political activity or provide an essential public service. I know that the people of Bolton West deserve every hour I can find in the day to do what I can to improve my constituency. Do the people of each and every constituency in this country not deserve the same?

Several hon. Members *rose*—

Matt Western (in the Chair): Order. With immediate effect, there will be a five-minute limit on speeches.

10.2 am

Dr Ellie Chowns (North Herefordshire) (Green): It is a pleasure to serve under your chairship, Mr Western. I thank the hon. Member for Leeds East (Richard Burgon) for securing this very important debate.

Serving as a Member of Parliament is a huge honour and a privilege. It is more than a full-time job—and it should be, because it is a job that is about public service. That should be the only reason that anybody puts themselves forward for election to this place, and it should be the only reason that anybody has the privilege of serving in this place. One hundred per cent of our available time, energy and skill should be focused on serving our constituents—that and absolutely nothing else. It is really very simple: there should be no time available in an MP's day for doing a second job, still less 16 second jobs. Our constituents' needs for us to serve and represent them absolutely can fill every moment available, and more.

It is utterly shocking to me that the hon. Member for Clacton (Nigel Farage)—and yes, I notified him that I would be naming him in this debate—has apparently raked in £2 million over his past two years of “service” as a Member of Parliament. Just yesterday we heard that he was paid £270,000 for 12 hours of work. It is frankly obscene—

Jim Shannon: Immoral.

Dr Chowns: And, indeed, immoral that somebody is earning more in a couple of hours than the average person—well, more than the average person; nurses, teachers and others who dedicate their lives to public service—will in a year. It is extraordinary that in this day and age, this is still allowed. I agree with the hon. Member for Bolton West (Phil Brickell) that it is a hangover from centuries past. It is totally inappropriate for a modern Parliament. One hundred per cent of our time and energy should be focused on serving our constituents.

Why is it that this total anachronism endures and that those who do not have the interests of public service at heart are able to waft about doing all sorts of other things that do not contribute to the public interest whatsoever, but are motivated solely by what is simply personal greed? Let us call a spade a spade. If somebody is doing this sort of “work”, for these sorts of sums, there can be only one motivation: personal enrichment and greed. That has no place in a public servant, still less a public servant who has the honour of serving as one of just 650 MPs in this House, the mother of Parliaments. We must stop it.

I entirely agree with the hon. Member for Leeds East: we need a full ban on second jobs. Yes, we hope that Members will bring outside experience into Parliament, but let us achieve that by electing a far more diverse range of people, from all walks of life, to have the honour of serving here, and let us take steps in our parties to ensure that we do so. But once we are here, 100% of our time, energy and effort should be focused on serving our constituents. Otherwise, there is a total conflict of interest: are we serving ourselves or serving the public? We must be here to serve the public.

I call on the Minister and the next Prime Minister to finally end this outrageous, obscene anachronism. We must not count on the individual conscience of every Member, given that we can clearly see, unfortunately,

that a tiny handful do not share a commitment to public service. Let us ensure that the baseline and benchmark is that nobody has a second job, and that everybody who has the honour of being here is 100% focused on serving our constituents.

10.6 am

Ian Lavery (Blyth and Ashington) (Lab): I thank my hon. Friend the Member for Leeds East (Richard Burgon) for bringing this really important issue to the House. As ever, it is a pleasure to serve under your chairmanship, Mr Western.

Listen, it is not my intention to mention gold bullion dealers or Members who are making £22,500 an hour. It is not my intention to mention MPs who do Cameos. It is not my intention to discuss cryptocurrency dealers or mention TV presenters. It is not my intention to mention shady donations, which stain our politics—the real problem is that when our politics are stained, all MPs in this place are tarred with the same brush. Perhaps I should have mentioned all that—I would love to raise some of the shady dealings that happen in this place—but I have not notified the individuals concerned.

What is this about? Is it about money? Is it about transparency? Is it about accountability? Is it about all of that? I am perplexed. I am an MP in the north-east of England. I love the place—born and bred—and I see how people are struggling. How can MPs have second jobs? I forget the figure, but my hon. Friend the Member for Bolton West (Phil Brickell) talked about thousands of hours being spent on second jobs—one, two, three, four, five and more second jobs. How can this be the case? I need somebody to tell us, because I am working my socks off for my constituents, and rightly so—that is what I was elected for, and it is what everybody elected to this place should be here to do.

The hon. Member for East Londonderry (Mr Campbell)—he is no longer in his seat—talked about MPs' wages, but £96,500 as an MP? I feel like a millionaire, man! I'm so rich it's unbelievable! But I am representing my residents. People on the national minimum wage of £12.71 an hour, working a 40-hour week, are on roughly £26,416. That is what stress is. That is why we need to be looking after people. We hear from various MPs here, “We're under lots of stress.” I will tell you what stress is: when you cannot feed the kids or put clothes on them. That is stress, and that is certainly not what I see here.

Forty-five per cent of people say that they almost never trust any Government, and 68% say that second jobs should only be allowed in exceptional circumstances. I agree with that. I think the Bill introduced by my hon. Friend the Member for Leeds East is fantastic and it has my full support. How can individuals go to the jungle in Australia to do “I'm a Celebrity...Get Me Out of Here!”? Many MPs might feel when they are sitting in Parliament on a Thursday, “Get me out of here,” but seriously, how can any MP do that without any sanctions? It is absolutely disgraceful. It is a huge disrespect to the people we represent. They need to understand that we are on their side. They need to understand that not everybody is on this gravy train because, quite frankly, that is simply not the case.

I have not even started on my speech, but I will conclude simply by saying that we need to build trust with the general public. It is lost—it is gone. We cannot

[*Ian Lavery*]

blame members of the public for that, given the amounts of money people have mentioned. We need to focus on the immense issues facing our priority—our constituents.

10.11 am

Cat Eccles (Stourbridge) (Lab): It is a pleasure to serve under your chairship, Mr Western. I thank my hon. Friend the Member for Leeds East (Richard Burgon) for securing this timely and important debate. I know how hard he has worked on this issue over a number of years.

Before the general election, Labour wanted to ban second jobs for MPs. It seems that ambition has now been placed on the “too difficult” pile to deal with another time, but the issue has not gone away. Public trust in politicians and institutions is at an all-time low, and we are duty-bound as elected Members to change that for the sake of democracy itself. Being an MP is a full-time job. In fact, it can and often does become a way of life. We never truly switch off, even on a rare free day.

Before coming to this place, I worked for over 20 years as an operating department practitioner in the NHS. Long days, staying late and overtime were the norm, but I could leave my work at the door. I must admit, I would not want to do surgery working at home—it is not particularly suited to it. I am pleased that my hon. Friend has made exceptions for people like me who have a professional registration to maintain. Doctors, lawyers, nurses and allied health professionals work hard to gain their qualifications and registrations, and regular practice is required to maintain them. I also served as a local councillor for Wollaston and Stourbridge Town before coming to this place. My term was due to end in 2028, but I always said I would stand down at the next electoral cycle as it would not be feasible or fair to my residents for me to hold both roles. I stood down in May this year, having served without taking an allowance.

However, that is not what we mean when we talk about second jobs. We mean paid consultancy and advisory work, often with conflicts of interest and lobbying expectations; paid roles as TV presenters; and people being paid for giving speeches and attending events. It all adds fuel to the fire of public commentary about elected politicians having noses in the trough and being on the gravy train—and let us not forget those brown envelopes.

I believe that most hon. Members come to this place in earnest to serve their constituents and communities and to make people's lives better, but those who seek to use it as an opportunity to bolster their bank accounts have not come here in good faith, and they damage public trust in all of us. We are not here to serve big businesses and corporate interests, or to facilitate contracts with Government and make introductions to important people. A clear line needs to be drawn under scandalous second jobs, and it is in our gift as Government to do so. Even during the covid lockdowns, when the rest of us were staying at home to prevent infection spreading—I was working as an operating department practitioner in emergency maternity theatres—some MPs saw it as a golden opportunity to cash in, with second jobs and dodgy contracts totalling nearly £5 million.

While we are debating corruption and trust, I must also mention ongoing concerns about companies lobbying hon. Members, offering them hospitality or gifts. Those companies then appear in *Hansard* or in communications with the Government down the line. None of that is about what we know; it is all about who we know. Members should always have their eyes wide open to possible corruption and influence from outside bodies.

An MP's time is best spent prioritising their constituencies and the people they serve. If any Member feels their remuneration is not adequate, perhaps they should consider a different job. My current salary is nearly three and half times higher than what I have earned at any point in my career and I recognise the enormous privilege that has been bestowed on me, especially in the context of the ongoing cost of living crisis. It is also a huge privilege to represent my hometown of Stourbridge and the wonderful people who sent me here. They are the top of my agenda.

This is an opportunity to show that MPs are not just out for themselves and to begin restoring public trust. Let us ban second jobs and start transforming our democracy with transparency, accountability and integrity.

10.16 am

Ian Byrne (Liverpool West Derby) (Lab): It is a pleasure to serve under your chairship, Mr Western. I thank my hon. Friend the Member for Leeds East (Richard Burgon) for securing this hugely important debate and for his leadership on this issue over a long period.

At its heart, this debate is about public service, trust, standards and whether being a Member of Parliament is a full-time duty to the people, or a platform for private enrichment and personal gain. Let us say plainly what people across this country already know: being an MP is not a side hustle, a brand or a boost to corporate boardrooms, consultancy fees, television contracts, crypto fortunes or commercial deals. Public office is not a business model; it is a privilege.

We are sent here by our constituents and we are paid by the public. Our first, last and every loyalty must be to the people we represent. Since the 2024 general election there have been welcome reforms, but they are only small steps. Members of this House can still earn extraordinary sums through media work, publishing and corporate-linked interest. The public have every right to ask why.

In Liverpool West Derby, people are working almost every hour they can and still struggling to make ends meet. Families are choosing between eating and heating. In the last six months, I have been across the country with the Right to Food Commission, and I have heard exactly the same stories: children growing up in poverty, parents skipping meals, pensioners dreading their next bill and workers taking second jobs not to get rich, but simply to survive and keep afloat. That is the reality that too many in this House are oblivious to. People are not living; they are surviving.

Imagine what people think when they see Members of Parliament earning hundreds of thousands of pounds on top of an already excellent MP's salary. Most workers cannot earn tens of thousands of pounds for a few hours' work, yet that is exactly what this House permits. People are sick of Parliament being treated like a marketplace, sick of influence following money, sick of

politicians speaking the language of working people while living by rules that working people could never access. That is not public service; it is graft. We have seen declarations of hundreds of thousands of pounds in outside earnings. The leader of Reform, the hon. Member for Clacton (Nigel Farage), claims to stand with left-behind communities while accepting a reported £5 million gift from a crypto donor in an industry he is campaigning to liberalise and deregulate. That is not anti-establishment—it is the establishment. It is money privilege wearing a different badge, and people can see that.

It is not just the hon. Member for Clacton. Across this house there are Members, including some who represent the poorest communities in Britain, who have chosen to follow the same path. They use public office to pursue private financial gain. That is exactly the culture that the public have lost faith in. In Clacton and in Liverpool, people know the difference between graft and graft. Graft is the cleaner starting before dawn, the care worker finishing another double shift, the warehouse worker waiting to find out whether they have enough hours in the week, the nurse staying because the ward is short staffed, the mum going without so her children can eat and the dad skipping meals so the lights stay on. That is graft, not graft.

Every time money buys excess, democracy is weakened. The mere fact that people are asking, “Who are they working for?” should really shame this House. When somebody writes to their MP, it is usually because they are desperate. They need help: they need advocacy, pensions, HM Revenue and Customs or child maintenance service; they are disabled, they are ill or they are struggling to navigate an inhumane benefits system. They deserve to know that their Member’s attention belongs to them—not to a corporate boardroom or a private client, but to them as individuals.

This job is a privilege and a vocation; it is not an entitlement, and it is certainly not a commercial opportunity. Let us finish the job. Let us ban second paid jobs, with only genuinely exceptional public interest exemptions, strengthen transparency and enforce the rules: no loopholes, no excuses and no more cashing in on public office. This debate comes down to one simple question. Whose side are we on—the side of the people who graft, work hard, pay their taxes and expect integrity from those they elect, or the side who treat public office as a route to private wealth? I know where I stand. I stand shoulder to shoulder with the people who graft, not the people who graft. Public office is a privilege, not a business opportunity. This House belongs to the public. We are sent here for one reason and one reason only: to serve our constituents who put us in this place—nothing more, nothing less.

10.21 am

Steve Witherden (Montgomeryshire and Glyndŵr) (Lab): It is a pleasure to serve under your chairship, Mr Western. I commend my hon. Friend the Member for Leeds East (Richard Burgon) for the campaigning work he has done over many years on this important issue. As Members of Parliament, we are privileged to be here, but this is a demanding, full-time role. Our time, energy and focus should be dedicated to representing our constituents, and to that alone; but, as we have already heard, it is all too common for Members to have multiple jobs, often serving corporate interests despite the obvious potential for a conflict of interest.

Every MP earns at least £98,599 a year, with Ministers and Select Committee Chairs earning even more. That is more than two and a half times the average wage, and almost 20 times the annual equivalent of the basic universal credit allowance. Before my election in 2024, my salary as a teacher, a head of curriculum area and a member of the extended senior leadership team at my school was less than half an MP’s salary. It is difficult to argue that Members need second, third or even 16th jobs while many of our constituents struggle to make basic ends meet. Members being hired as advisers or consultants, primarily because of their political connections and access, is not only wrong and out of touch; it poses a genuine risk to public confidence in our democracy and, as we saw from the Tory lobbying scandal during covid, a genuine risk to public health.

The reality gap between claiming to represent ordinary working-class people and earning vast sums through private income streams is stark. It is best illustrated by, though by no means limited to, the hon. Member for Clacton (Nigel Farage)—I did contact him, Mr Western—who has declared more than £2 million in earnings since his election to this House in July 2024 from media contracts, paid Cameo appearances and serving as a brand ambassador for a gold dealer. That would be laughable if it were not so concerning.

I support a ban on second jobs for Members of Parliament, with sensible exemptions where work is necessary to maintain professional qualifications and skills in the public interest—as teachers, doctors or nurses, for example. This is a necessary step towards restoring trust and integrity in our political system. The privilege of serving as a Member of Parliament should come with a singular commitment: serving the public, and serving them alone. *Diolch yn fawr.*

10.24 am

Lisa Smart (Hazel Grove) (LD): It is a pleasure to serve with you in the Chair, Mr Western, and I really congratulate the hon. Member for Leeds East (Richard Burgon) on securing this important and very timely debate, which he opened very well.

Being a Member of Parliament for my constituents in Hazel Grove is an enormous privilege, but it goes beyond that; it is a full-time job, with knobs on. I must declare that early in my time here, I was also an elected councillor, representing the wonderful people of Bredbury Green and Romiley. That was classed as a second job under our current rules, so I declared the allowance that I received for the couple of months before I stood down as a councillor, and the details can be seen in my entry in the Register of Members’ Financial Interests.

The people who voted us here did not do so just so we can use Parliament as a launchpad into a media career, a consultancy or corporate boardroom; voters send us here to work for them. Yet in this Parliament we have seen some Members treat their responsibilities to their constituents as, at best, a part-time concern. Other Members have already given the detail of some of the work undertaken by the hon. Member for Clacton (Nigel Farage)—I have indeed let the hon. Member know in advance, Mr Weston, that I planned to mention him and his grafting.

The hon. Member for Clacton has been here for 300 sitting days since those of us in the 2024 intake were elected. When I was preparing this speech, I realised

[Lisa Smart]

that if I added together the hours that he has declared as having worked elsewhere, he has spent more than 140 days on various other jobs since he was first elected. That might be understandable if, like many other Members, he had spent the time when he is not here on constituency work, or on fighting for those who elected him. However, there were reports in the *Daily Mirror* earlier this year flagging up how many of his constituents felt that he was not around enough. He has spent hundreds of hours presenting on GB News and taking speaking fees for cryptocurrency platforms such as Blockworks.

Matt Western (in the Chair): Order. Can I just remind Members about their choice of language? It is okay to use certain vocabulary in general—in non-specific terms—but when they are speaking about particular Members, I ask Members to be very careful about the use of language such as “grifting”.

Lisa Smart: I welcome your advice and guidance, Chair.

I will move on to talk about those Members who receive payments for posting on social media. Members of the UK Parliament should not receive payments from platforms such as X. I also note the entry in the Register of Members' Financial Interests for the hon. Member for Great Yarmouth (Rupert Lowe)—I have also advised him that I will mention him in this debate. The details of his most recent donation show that he has received over £70,000 from X since his election to this place.

Given the international nature of social media companies' revenue streams, the role that Elon Musk has attempted to play in US politics and the views that he has increasingly expressed about UK politics, we should ensure that there are limitations in place to prevent potential income from social media platforms from unduly influencing politicians. We know the way that the algorithms that these platforms use push content that evokes more feeling, because it drives engagement. Therefore, the more divisive and hate-filled the content, the more some of the algorithms allow it to be seen. I have tabled some amendments to the Representation of the People Bill that would address that issue and I would really welcome Government support for them.

It is also worth noting the number of times that various Members who have already been mentioned today have spoken in this place in their role as an MP. For the hon. Member for Clacton, it is fewer than 50 times in two years, including points of order and supplementary questions—considerably fewer than any other party leader.

As others have already mentioned today, some MPs have a second job related to a previous career. Within these walls, there are people with vastly different career backgrounds, from veterinarians to police officers. There is a vast difference between being an MP who maintains a medical licence, continues to practise at the Bar or keeps up their professional registration in nursing or social work, and being an MP who treats this Chamber as little more than a platform for personal enrichment. We should be honest about that difference, because members of the public already are.

The Lib Dems do not feel that there is a strong enough argument for a blanket ban on MPs taking second jobs; we do not believe that that would be the right answer. It would force NHS doctors, care nurses and legal aid barristers to surrender their professional registrations to serve in Parliament—that would be a concerning and counterproductive unintended consequence. We do not want a Parliament made up exclusively of career politicians.

However, the people of Hazel Grove did not elect me to pop in here occasionally while moonlighting for a string of corporate sponsors. Many of my constituents rightly expect high standards and some of them have raised concerns about the conduct of politicians. Most recently, Neil from Hazel Grove wrote to me about reports of a £5 million gift to an MP from a foreign-based billionaire. My constituents elected me to do things such as fighting for Stepping Hill Hospital to get its £138 million repair bill sorted, pressing for better rail services, and holding this Government—any Government—to account. That is what every MP should be doing for the people from their patch.

We saw scandal after scandal under the last Conservative Government, from the resignation of Owen Paterson to partygate. Public trust in politics has been corroded, and as a country we are still paying the price for that failure. Although there are currently some restrictions in place, they do not go far enough—for example, MPs are strictly banned from acting as parliamentary strategists, advisers or consultants. That clearly recognises that having a second job can contradict our role as MPs, but it is not a full solution. The Liberal Democrats have long supported broader reform to the rules for MPs' conduct. We should not end up in a situation where MPs are marking their own homework.

I welcome the aims of the Modernisation Committee, but it was established almost two years ago. Indeed, I made my maiden speech in a debate on the motion that established it, yet the Government have so far failed to deliver the modernisation that is sorely needed, including in relation to second jobs. I welcome any update from the Minister on when we might expect some progress.

Those who sit in this House of Commons must remember that we are representatives for our areas and our constituents. This is not a part-time role, and that is the standard that this House should expect of everyone who sits in it.

10.31 am

Mike Wood (Kingswinford and South Staffordshire) (Con): It is a pleasure to serve under your chairmanship, Mr Western. I congratulate the hon. Member for Leeds East (Richard Burgon) on securing this debate. This is a vital discussion that goes to the very heart of how our democracy functions, how our legislature connects with the public and how we maintain institutional integrity. Although we disagree with the prescription of a blanket ban, I certainly respect the sincerity with which the argument has been put forward. We all share the fundamental goal of protecting and restoring public trust in this House.

There is no question that public support for MPs having second jobs has reduced drastically over recent years. The public rightly expect us to be working for them, rather than prioritising our own interests, and we

must make sure that that is what we are doing. If we are considering a ban on second jobs, however, we ought to be clear as to why. Some have argued in this debate that the issue is the time spent on outside jobs, and that the time ought to be directed entirely to MPs' parliamentary constituency work.

I do not have an outside job, but before the general election I served as a Government Whip. It was a paid position, and it almost certainly took up more of the time that I was in Westminster each week than any outside job would. While those in Government posts—or for that matter House roles, such as Chairs of Select Committees—do necessary work for the proper functioning of Government and Parliament, I would struggle to argue that my constituents benefited directly from me having that additional job.

The same would be even more true for many ministerial positions, but most Ministers of all parties are able to fulfil those demanding roles without their responsibilities as constituency MPs suffering. If we accept that a Minister can balance the immense, exhausting weight of working in a Government Department with their duty to the electorate, it is logically inconsistent to argue that a Back Bencher cannot do the same with a few hours a week of external professional practice.

If the primary problem is not the time diverted from representing constituents, perhaps it is the money. But if we go down that route, there is a danger of us getting drawn into an argument over good jobs versus bad jobs. Few people would complain about the shadow Minister for Health and Social Care, my hon. Friend the Member for Sleaford and North Hykeham (Dr Johnson), continuing to work as a consultant paediatrician; I informed her in advance that I would mention her.

It is necessary for my hon. Friend to continue to work so that she can maintain her professional qualification, and it adds immense real-world value to her shadow ministerial role. She also properly declares her interests during relevant debates. Similarly, Members across the House have often been rightly congratulated on their ongoing work as surgeons, GPs and nurses, but these medical jobs are no less time consuming and, in some cases, may be better remunerated than some of the other interests that are more often the focus.

Cat Eccles: Does the shadow Minister recognise that this is not necessarily about the amount of remuneration, but the risk of corruption and the types of employment that have been mentioned by many Members in this debate?

Mike Wood: I thank the hon. Member for making the point that I was about to move on to.

Some of the jobs that I have mentioned are better remunerated, so it is incredibly difficult to know where a formal line should be drawn in explicit rules. If medical jobs are acceptable, why not the legal work that some Members have legally and properly been paid to do as Back-Bench MPs? If paid newspaper columns are allowed, which the Government's current plans notably exempt, it becomes much harder to explain to the public why work advising a manufacturing business on global supply chains is completely unacceptable.

The point that the hon. Member for Stourbridge (Cat Eccles) rightly made was that we must differentiate between work and influence. The real threat to public confidence has never been an MP spending a few hours

a week doing genuine practical work in business, law or the media. The threat is and always has been paid advocacy and lobbying, which is why the rules were fundamentally overhauled. We have an absolute ban on paid advocacy and an explicit prohibition on MPs acting as paid parliamentary strategists, consultants or advisers. In July 2024, the new Opposition gladly supported the removal of exemptions regarding public policy advice.

Phil Brickell: The shadow Minister is making an important point about the distinction between outside employment and paid advocacy. Could he expand on what seems to be his view that Members of this House should be treated differently from serving members of the armed forces, members of the judiciary, civil servants and other public servants for whom there are restrictions on taking outside commercial jobs in addition to their core role? What does he think is different about Members of Parliament?

Mike Wood: Fundamentally, I think it comes down to the employment relationship. Obviously, as Members of Parliament, we are elected to represent constituents. It is then a question of judgment as to what activities conflict with that and prevent us doing that role as well as we need to. I think most people would agree that some of the cases highlighted today cross that line, but the question is whether a blanket ban is the most effective and proportionate way of dealing with what is clearly a genuine problem.

The independent Committee on Standards launched a comprehensive inquiry on the issue in January 2025 to look at the exact benefits, risks and regulatory effectiveness of outside employment. That inquiry is still under way, so it would seem the height of legislative impatience if we were to go down the road of threatening blanket bans while that independent review is still gathering evidence on how a more balanced approach could operate.

Trying to put together a rigid set of formal rules that allows the activities we happen to approve of while preventing those that we find unpalatable is a recipe for hypocrisy and administrative chaos. It risks leaving Parliament poorer rather than our constituents better served. Ultimately, the best people to judge whether an MP's outside work prevents them from being an effective Member of Parliament are the voters in that MP's constituency—if they have the full and proper information available.

Let us ensure absolute transparency. Let us publish every hour and every pound in the register for the world to see. Then let us trust the British public to look at that record, weigh it against the service they receive and render their unappealable verdict at the ballot box.

10.38 am

The Minister without Portfolio (Anna Turley): It is a pleasure, as always, to serve under your chairmanship, Mr Western. I want to reassure you before I begin that I have notified the Members I will be mentioning today.

I begin by thanking my hon. Friend the Member for Leeds East (Richard Burgon) for a really important debate and for his long-standing, committed and passionate campaigning on such an important issue. I look forward to seeing his Bill. The time for these changes has come—a time that is long overdue. I also thank hon. Members for their contributions to today's important and timely debate.

[Anna Turley]

The Government were elected on a manifesto that committed to returning to a politics of service—something that we have heard a lot about from many hon. Members today. We want to ensure that public office holders are held to the highest standards, as the public rightly expect. Hon. Members remember the damage caused by scandal after scandal in the last Parliament, including the lobbying scandals of Matt Hancock, Owen Paterson and Scott Benton, which undermined the trust that people place in us to lead by example.

On top of our commitment to further tighten the rules on second jobs, I am really proud of the work that the Labour Government have undertaken so far. As per our manifesto pledge, we have established the independent Ethics and Integrity Commission, which has an independent chair and an expanded and ambitious remit to promote the highest standards in public life. I thank its members for the dedicated work that they have already completed to strengthen standards in public life.

Let me turn to the topic of this important debate. Our manifesto also said:

“The absence of rules on second jobs...means some constituents end up with MPs who spend more time on their second job, or lobbying for outside interests, than on representing them. Therefore, as an initial step, Labour will support an immediate ban on MPs from taking up paid advisory or consultancy roles. We will task the Modernisation Committee to take forward urgent work”—in the context of this debate, I stress that it will be urgent—

“on the restrictions that need to be put in place to prevent MPs from taking up roles that stop them serving their constituents”.

We can be a bit frustrated at the pace of progress on the second part of that manifesto commitment, which my hon. Friend the Member for Bolton West (Phil Brickell) described as glacial.

To put some urgency behind this, the Chief Secretary to the Prime Minister, my right hon. Friend the Member for Bristol North West (Darren Jones), stated in February:

“The Government are committed to the principle that second jobs for Members of Parliament should be banned outside very limited exceptions, such as maintaining a professional qualification.”—[*Official Report*, 9 February 2026; Vol. 780, c. 567.]

The Government's view is that MPs must prioritise their duty to Parliament and their constituents. The public would expect nothing less from us all. That is a very clear indication from the Chief Secretary to the Prime Minister that the Government's view is that second jobs should be banned outside very limited exceptions.

I am pleased that, on taking office in 2024, we immediately instructed officials to work with House authorities on tightening the rules about MPs and second jobs, in line with our promises. Just a month after the 2024 election, we put a motion before the House that closed two loopholes, which had allowed MPs to provide paid parliamentary advice on public policy and current affairs, and advice in general terms on how Parliament works. Frankly, I was shocked that that was possible before we came to power. Those rules clearly did not meet the public's expectations of what MPs should focus on during their time in Parliament.

Following that, the previous Leader of the House of Commons, my right hon. Friend the Member for Manchester Central (Lucy Powell), as Chair of the Modernisation Committee, wrote to the Committee on

Standards to invite it to consider whether MPs' ability to hold outside interests should be further restricted. The Leader of the House of Commons has worked closely with the Committee since it started its inquiry. I thank the current Leader of the House and his predecessor for their diligent work in this space and the support they have offered to the House as the inquiry has proceeded. The Leader of the House wrote to the Committee again in June to set out the Government's expectations.

It is right that the Committee on Standards is at the heart of looking at the future rules governing the behaviour of MPs, given its deep expertise and the proven ability for its members to work together on a cross-party basis to promote high standards in public life. Again—I will come back to this later in my speech—I encourage it to heed the very clear words of the Chief Secretary to the Prime Minister, who said that second jobs should be banned “outside very limited exceptions”. We will urge it to increase the pace of its review.

As this debate has highlighted, there is some discussion about what constitutes a second job or outside interests, which can be varied. I do not know whether the hon. Member for Hazel Grove (Lisa Smart) saw my jaw hit the desk when she talked about social media income—I had not seen that. It is absolutely astonishing that MPs can profit from clickbait and from driving hits and likes. The public can clearly see the contradiction and the conflict with representing constituents that could ensue from that, so I thank her for raising the issue.

Based on the letter that the Leader of the House sent to the Committee on Standards in June, I want to set out what the Government want to achieve and what we want the Committee to focus on. We believe that there are three core areas that need to be considered when determining whether an MP should be able to undertake an additional role: time, money and influence. I believe—and I hope all Members agree—that being an MP is an enormous privilege. I know from having lost and come back that nothing will ever eclipse the privilege that we get in this role; it is precious to all of us. It would not be right for the focus of anybody elected to this place to be diverted from delivering in the best interests of their constituents. The fact that it remains open to MPs to treat their parliamentary and constituency responsibilities as secondary to other work is outdated—Victorian, as others have said today. In the view of the Government, it has to change now.

How can it be right, for example, that the hon. Member for Clacton (Nigel Farage) has 16 jobs, as we have heard? Just yesterday it was revealed that he is paid £22,500 per hour. Let us think about that: he is paid £22,500 per hour, as a brand ambassador for gold trading. That blows my mind. The same Member has taken £2 million on top of his parliamentary salary. He receives £400,000 for presenting shows on GB News. Up until March of this year, he was filmed doing Cameo clips, including offering best wishes to a far-right rioter and being paid to say, “Up the Ra!”

As of March 2026, he has spent the equivalent of 140 working days on his second job, according to *Byline Times*. I am not sure how anyone can see that as compatible with his obligations to the people of Clacton. Those are just the things we know about. Journalists uncovered a £5 million donation from a Thai crypto billionaire, which was not declared to Parliament.

Matt Western (in the Chair): I remind Members that direct criticism can be made only on a substantive motion. The particular language or assertion was perhaps not appropriate.

Anna Turley: I appreciate the Chair's reflection, thank you. I will simply say that it is nice for some Members of Parliament to see a safe and secure future, which I am sure many of our constituents would dearly love for themselves.

My concern about the examples I gave is not just that it diminishes the individual Member in the eyes of the public. The hon. Member for East Londonderry (Mr Campbell) and the hon. Member for Kingswinford and South Staffordshire (Mike Wood), the shadow Minister, said that the onus is on the public to make a judgment. I completely appreciate that; it is true that the public will make a judgment. Such actions, however, do not just diminish the individual Member of Parliament. They diminish this place and our democracy, and they do a great disservice not just to the people of Clacton but the people of Britain.

The Government believe there is a clear difference, as the shadow Minister mentioned, between a second job and a ministerial or parliamentary role, such as being the Chair of a Select Committee, not least because, in performing those roles, Members are accountable to Parliament and are acting on behalf of the House to scrutinise the work of Government. As I have said, the Government do not believe MPs should have a second job that poses a distraction from an MP's primary duty to Parliament and constituents. The hon. Member for Strangford (Jim Shannon) said they should not be able to compromise, which is a similar approach. It should not be a distraction or compromise an MP's ability to do their duty. Put simply, being an MP is a full-time job—more than a full-time job, as many of us know. Members should spend their time doing the best possible job, representing their constituents who put their trust in them in the general election.

The second principle is that any earnings from a second job must not create the impression that the second job is the MP's primary source of income. MPs should decide whether they are brand ambassadors for gold bullion or ambassadors for the people they represent.

Thirdly, a job must not have an influence, or be perceived as having an influence, on an MP's behaviour and the way they undertake their parliamentary duties.

I hope hon. Members across the House feel they can get behind those three reasonable tests and standards, and that they will reach out to the Committee on Standards to ensure their views are properly reflected in its considerations. I appreciate, as others have said, that we also have to be pragmatic and recognise that colleagues have had careers outside politics and many will need them again. The House is enriched by the experience of those roles—for example, as my hon. Friend the Member for Stourbridge (Cat Eccles) mentioned as a nurse, in the NHS.

Individuals are required to maintain professional qualifications, which is why changes must include qualifying exemptions, so the House can retain the expertise brought to it by those with successful careers before they came to this place. However, I agree with my hon. Friend the Member for York Central (Rachael Maskell) that this cannot be a loophole that is exploited. It is also important that some professions are not more equal than others.

Everybody ought to have the ability to have a successful career after they leave Parliament, but that cannot be used as an excuse to justify earning a second income that could be detrimental to their role as an MP.

This Government were elected on a manifesto that promised to change how our politics is conducted and bring an end to the lobbying scandals that defined the previous Government's time in office. We are committed to returning to a politics of service and to upholding the standards in public life that our constituents demand we maintain. This Government remain committed to the promise we made to the country at the last general election. I am proud that we implemented immediate changes to lobbying, but as we have heard today, there is so much more to be done. I welcome the ongoing work of the Modernisation Committee and look forward to the recommendations the Committee on Standards will make to the House.

However—I will say this carefully, deliberately and as clearly as I can, perhaps in the hope of catching the ear of the next Prime Minister—this Government have the ability to draft and propose legislation and a big majority in the House. As I mentioned, parliamentarians here today and the Government have both the power and, crucially, the responsibility to protect this place and the privilege of being MP, not just for ourselves, but for those who come after.

I very much look forward to seeing the Bill drafted by my hon. Friend the Member for Leeds East. I look forward to all of us using our collective voice and working with the Committees to sort this matter now, because it is long overdue. I thank hon. Members for taking part in this debate and for ensuring that their constituents' views on this important issue have been heard in this place.

10.51 am

Richard Burgon: I thank every single Member of Parliament who has contributed to the debate and the Minister for her constructive and encouraging response. The message from the debate to the public is clear. Many of us understand and believe that when Members of Parliament chase corporate cash, they are not only short-changing their constituents, but undermining our democracy. That is a very serious matter indeed. Trust and public confidence in politicians, Parliament and our democratic process has never been lower. We have a historic duty to turn that around. That means change. It means, among other things, banning the gravy train of MPs' second jobs.

I look forward to passing the Minister a copy of the Bill I drafted back in 2022. It is a full, comprehensive plan. I also hope to speak to the next Prime Minister about that plan, because it could be part of a new era. It could be part of a fresh start to show that we are not all the same, that we defend our democracy and that we believe in public service and a better kind of politics. I thank every single Member who has contributed to the debate and you for chairing it, Mr Western.

Question put and agreed to.

Resolved,

That this House has considered the potential merits of a prohibition of second jobs for hon. Members.

10.53 am

Sitting suspended.

Regeneration in Reddish

11 am

Navendu Mishra (Stockport) (Lab): I beg to move,

That this House has considered Government support for regeneration in Reddish.

It is a pleasure to serve in this debate with you and other colleagues, Mr Western. I thank everyone who has contacted me regarding the status and future of Reddish library and Reddish baths, and more widely about investment across Reddish. The strength of local feeling on the issue is clear.

Reddish grew rapidly during the industrial revolution as canals and railways brought cotton mills, engineering works and brick-making industries to the area. In 1901, it was officially incorporated into the borough of Stockport. Following industrial decline, many factories closed, and today Reddish is mainly a residential area with a thriving community. Reddish is new to the Stockport constituency following parliamentary boundary changes in 2024. I am proud to represent the area.

I welcome the fact that this Labour Government have increased central Government funding for Stockport council: by 2028-29, Stockport's core spending power will rise by 7.5%. However, that is below the average increase for English councils. I have consistently called on the Labour Government to deliver the fair funding that Stockport deserves after years of under-investment. The uplift marks a clear change in direction compared with the coalition years, when Stockport was hit by deep austerity cuts. I call on the Liberal Democrat-run Stockport council to take investment in Reddish seriously.

Lisa Smart (Hazel Grove) (LD): I am delighted, as I always am, that Stockport is getting rightful attention in this place. Does the hon. Member agree that it is genuinely disappointing that although the Government talked about giving extra money to local councils, and have overall, Stockport has been short-changed? He will know, because it is in his constituency, that Stockport is the least well-off part of Greater Manchester, yet because we missed out on extra funding by 0.1%, services will have to be cut. That was a decision of this Labour Government.

Navendu Mishra: In meetings with the hon. Lady I have pushed the Government for more funding for Stockport, and I just mentioned that the Government should go beyond what the 7.5% increase will deliver. I agree that more deprived and lower-income areas across Stockport and Greater Manchester deserve more attention; we cannot have a one-size-fits-all approach. As a politician, I will make political points, but I hope she sees that my voting record and my record in *Hansard* show that I do what is best for Stockport.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

Navendu Mishra: I am happy to take an intervention from Northern Ireland.

Jim Shannon: I commend the hon. Gentleman for securing the debate; he is absolutely right to press for his constituents. Does he agree that whether we are talking about an urban, industrial town like Reddish or a rural community, for instance my Strangford constituency,

the foundational rules of successful regeneration remain exactly the same? Regeneration requires targeted central Government support, modernised infrastructure and revitalised high streets, so that people can live, work and thrive in their home towns. The hon. Gentleman is pressing for that. I support him, and wish him well.

Navendu Mishra: The hon. Gentleman makes an important point. It is extremely important to invest in our high streets and have thriving high streets with independent local businesses, as well as thriving district centres. We are lucky that Reddish has a wide range of fantastic independent local businesses, as I will mention later.

As I said, I call on the Liberal Democrat-run Stockport council to take investment in Reddish seriously, and nowhere is the need for fair investment clearer than in Reddish. Stockport council must not continue to overlook its needs when allocating funding. Reddish faces many issues, including serious health inequalities. In Reddish the average male life expectancy is 78 and the average female life expectancy is 83. That is lower than other parts of my constituency, where the average male life expectancy is 81 and the average female life expectancy is 84.

Residents have consistently raised concerns with me about ageing infrastructure, a lack of high-quality public facilities and the lack of investment in the area. The people of Reddish deserve good-quality public amenities and facilities, and better infrastructure in key green spaces like Reddish Vale and North Reddish park. Under the previous Government, many residents felt forgotten, while more affluent areas of Stockport benefited from sustained investment. Sadly, this is continuing under our Liberal Democrat-controlled local authority. It is purely a political choice, just as austerity was. Can I remind the House that the Liberal Democrats were in coalition with the Conservatives for five long years, delivering truly regressive policies such as austerity, the bedroom tax and much more?

A Reddish resident told me recently:

"It feels like Reddish is a cash cow, the residents pay lots in and get absolutely nothing in return."

Across my constituency, there has been a string of failures by Stockport council. Grand Central swimming pool, which has provided this country with sporting champions, is in need of investment, with the future of its 50-metre capacity uncertain. Many roads across my constituency are in an unacceptable state, with potholes and ineffective repairs. Stockport Central library has been closed since September 2025, with no timetable or indication of when it will be reopened by the council. The bridge near Harrison's weir in Reddish Vale is still out of action almost 18 months after it was severely damaged by flooding, with Stockport council producing no timeline for its repair. Charges in council-owned car parks, including at Broadstone Road in Reddish where charges were recently introduced, are hitting residents and small businesses hard.

Turning to Reddish Baths, the site includes the disused baths building, the former community centre and fire station, and Reddish library. The 1908 buildings—library, fire station, baths and mortuary—are thought to be the only configuration of their type in the UK. They were a gift to the people of Reddish on joining the county borough of Stockport and are considered by some to be

a symbol of the esteem—or the lack thereof—in which Reddish is held by Stockport council. Reddish Baths closed in 2005 and has stood vacant ever since. For generations, the swimming baths brought the community together, allowed young people the opportunity to learn a vital skill and served as a much-loved facility. Despite that, Stockport council currently has no firm plans to reopen or reinvest in this historic building. I want to pay tribute to Reddish North councillors Rachel Wise and David Wilson, who work tirelessly for the wider community and have done lots of work with me on this issue.

I recently ran a community survey in Reddish, asking residents to share their views on the future of Reddish Baths. Almost 1,000 residents responded, offering crucial insights into the community's opinion: 86% of respondents placed swimming or fitness facilities in their top three preferred future uses for the site; 50% selected youth activities and services; 43% chose a community café or meeting space. The strongest guiding principles were promoting health and wellbeing, preserving historic architecture and expanding youth and family services. Some 65% of respondents want a plan that brings together the library, baths and community centre into a single, multi-use community and cultural hub. The most frequent expressed hope was clear: reopening the baths.

Many respondents referenced childhood memories, the loss of local pools and frustration at seeing a valued building left unused. There is also a strong desire for a shared community asset that serves all ages. However, residents also raised concerns that future plans could be too expensive for local people, exclusionary for low-income households, older residents or young people, run in a way that limits genuine community access or harmful to the site's heritage. Some residents also expressed distrust of Stockport council due to previous delays and failed plans. I contacted the chief executive and the leader of the council to reopen engagement on the future of the bath site. I am grateful to the chief executive for visiting the baths with me a few months back. Across five facilities in Stockport borough, the public supply is 2,648 square metres of water. To meet the recommended supply of 12 square metres per thousand of the population, Stockport would need another 990 square metres, meaning that there is currently a clear water provision deficit.

Not only has Reddish lost its baths; we also have serious issues as Grand Central swimming pool in our town centre. Sport England has been less than helpful with my inquiries, which is highly disappointing because it receives a huge amount of funding from British taxpayers. Nationally, swimming outcomes are worsening looking at the 2024-25 statistics, only 73% of year 7 pupils can swim 25 metres competently, and just 67% of children aged five to 16 can swim 25 metres unaided. That is 30,000, or 3.5%, fewer children than in 2017-18.

Turning to libraries, only 19% of children and young people in the north-west read daily in their free time. That is the second lowest percentage in England. Alongside this, research from the University of Liverpool suggests that 1.2 million residents in Greater Manchester could be digitally excluded, with around 450,000 residents being non-users of digital technology. Reddish library was the first to have been purpose built in Stockport. It is also the home to the longest continuous library provision in the borough. Reddish library needs investment in its equipment, staffing and opening hours. The building itself is crumbling with a leaky roof. The library is a

vital community asset, supporting people of all ages to learn crucial literacy skills and providing support for members of the community who are digitally excluded with free wi-fi provision, computers and help with digital skills. Many people also rely on our library as a warm space.

I am concerned that the urgent works identified for the library have still not been undertaken, despite the importance of this facility to the local community. I have been lucky enough to hold surgeries at the library, and I remember during my last surgery a few months back that there were lots of buckets out in Reddish library catching the water that was leaking from the roof. It is absolutely unacceptable. It is also deeply concerning that scaffolding has now remained in place at Reddish library for over three years at a cost of over £26,000 to the taxpayer. When including VAT, that cost rises to over £30,000 paid by the people of Stockport.

I am so disappointed that Stockport council made a combined application for four libraries across Stockport borough under the libraries improvement fund, rather than prioritising areas such as Reddish, where the need is most urgent. Reddish north has a digital exclusion risk index score of 4.37 out of 10. That is much higher than other parts of my constituency, where the scores are between 1 and 2.

The local authority, Stockport council, could have made a decision to submit a one-off individual application for Reddish library. However, Reddish was simply one of many bundled into one joint application, despite needing thousands of pounds to stabilise the roof in addition to the other issues that I mentioned. The council did not inform me of this application. Had they done so, I would have been more than happy to lobby the Government and the Minister on behalf of the council. However, communication with elected officials, whether councillors or MPs, seems to be really poor from Stockport council. I recognise and welcome the investment secured from this Labour Government for nearby Bramall Hall, in my neighbouring constituency of Cheadle, including £1 million this year in addition to the £1.6 million previously awarded. Many of my constituents feel strongly that Reddish has once again been overlooked.

To be clear, I welcome investment in all parts of Stockport, not just in my constituency. However, the Liberal Democrats should be honest and upfront about overlooking some parts of our borough and prioritising other areas. I am a proud trade union member and I refer the House to my entry in the Register of Members' Financial Interests. I thank Unison members working in Stockport libraries and across Stockport council for all the work that they do and the vital services they provide to the people of Stockport. It has been noted that Reddish has fewer home library service users than other parts of Stockport borough with similar demographics. That is attributed, among other factors, to the extraordinary knowledge, diligence and care demonstrated by Nicki and Belinda, Reddish's long-serving librarians.

As we mark the National Year of Reading, I also want to recognise the outstanding work of organisations such as Read Easy Stockport, whose volunteers help adults improve their literacy and confidence. Facilities such as Reddish library play an essential role in supporting that work, but they need a roof that does not leak to do so.

[Navendu Mishra]

I want to challenge the narrative being pushed by the Liberal Democrat council leadership in the local press. We are told that this Labour Government, who are trying to address the effects of the coalition years of austerity and cuts, have made a political decision on funding in respect of Stockport. Let me be clear: blaming this Government, who have been in power for less than two years, has become a convenient excuse for years of neglect in Reddish under the Liberal Democrats. The real question the people of Reddish and myself as the local MP ask is: why do some communities always seem to be at the back of the queue? Residents in areas such as Reddish can see the difference for themselves. They can see nearby areas getting investment attention, yet their infrastructure and public realm is left to deteriorate even further. If council leaders are prepared to speak loudly and publicly about funding shortfalls, they should also be prepared to explain their own choices. How have local resources been allocated? Which communities benefited the most, and why do some areas such as Reddish repeatedly feel overlooked and, frankly, invisible?

One cannot claim to stand for fairness while presiding over unequal outcomes; one cannot demand accountability from the Government while avoiding accountability for one's actions—the “one” being the Liberal Democrat leadership at Stockport council. The leadership at Stockport council should stop looking for someone else to blame and explain to the good people of Reddish why their neighbourhood has been left behind.

Lisa Smart: Will the hon. Member give way on that point?

Navendu Mishra: I have limited time and am already running behind. I may give way later, if I can.

The people of Reddish are not asking for special treatment; they just want fairness. I ask that the people of Reddish get equal treatment, and the same investment and urgency that appear elsewhere in Stockport borough. If money is so tight, why does this neglect never seem to fall equally across Stockport borough?

As an MP, I expect my correspondence and freedom of information requests to be dealt with promptly. The fact that I have had to repeatedly chase responses from Stockport council is unacceptable, and it inevitably leads me to question the level of service that local residents receive. If inquiries from elected representatives such as councillors and MPs are not being answered in a timely manner, it is reasonable to be concerned about the responsiveness and accountability experienced by constituents.

I made a freedom of information submission on 23 April. Stockport council contacted me on 5 May to say that it was unable to respond within 20 working days and needed 40 working days. The deadline for that was 22 June, which has come and gone. Today is 1 July, and I have been told that I must continue to wait for the information. The council cannot even respond to FOIs in a timely manner, which is frankly unacceptable.

It would be remiss of me not to mention Lancashire Hill, a development built with the ambitious vision of creating a thriving community. Despite decades of challenges, it retains that strong community spirit today. Residents look out for one another and demonstrate remarkable resilience in the face of difficult circumstances.

However, the buildings are clearly crying out for investment. Constituents regularly raise concerns about ageing infrastructure, unreliable lifts, damp and mould, security issues, antisocial behaviour, fly-tipping and the need for major refurbishment to bring homes up to a modern standard.

Lancashire Hill is now recognised as one of the most deprived neighbourhoods not only in Stockport but in Greater Manchester, making its exclusion from recent Government regeneration and recovery grant funding all the more difficult to understand.

Lisa Smart indicated assent.

Navendu Mishra: My constituency neighbour, the hon. Member for Hazel Grove (Lisa Smart), is nodding.

At a time when the Labour Government and the Stockport Mayoral Development Corporation are helping to deliver 8,000 new homes, the case for investment in Lancashire Hill has never been stronger. Growth must be matched by fairness. While we build for the future, we must not overlook existing communities living in ageing housing and facing persistent challenges. Lancashire Hill deserves to share in that vision for renewal, with the investment necessary to modernise homes, improve the local environment and give residents the quality of life that they rightly expect.

Many constituents living on the Lancashire Hill estate feel that they deserve better, and I agree with them. I would welcome the Minister's attention on the acute challenges facing communities with significant need. I invite the Minister—my good friend—to visit Stockport. I promise to take her to the UK's only hat museum, which is in my constituency. I would also like to take her to Lancashire Hill to meet residents and see at first hand the issues and challenges facing the community, as well as the extraordinary community spirit that endures there. I want the Government to provide the investment needed to modernise that vital development, so that families can enjoy the safe, secure and high-quality homes that they deserve. Stockport council also has a duty of care to the residents of Lancashire Hill, and I want the council administration to take tangible action for them.

Reddish is a fantastic area with so many wonderful community groups, charities and faith groups. Re:dish provides food, supplies and vital support for local people, the friends of Reddish south station campaign tirelessly and passionately for better transport links, and Houldsworth working men's club, which was built in 1874, is an essential community hub. Community spirit in this area is alive and well. For last year's small business Saturday, I ran a competition to celebrate the work of small businesses in my constituency, and the vast majority of nominations came from Reddish, including Reddish Ale, the Last Track coffee shop, Ozzy's café, Johnny's café and so many more. You and I are good friends, Mr Western, and you know that I like cider. On your next visit to Stockport, I promise to take you to Reddish Ale for a lovely pint of cider. It was great to see the community spirit coming together to honour their contributions.

I emphasise to the Minister that communities such as Reddish cannot be left behind when future funding decisions are made. The £20 million awarded to Brinnington through Pride in Place is very welcome, and I am so

grateful to the Government for awarding it after years of decline and austerity under previous Governments, but it is essential that support is not concentrated in a few areas alone and that places like Reddish also benefit from meaningful investment.

Areas with high deprivation, ageing infrastructure and long-standing under-investment need targeted support if the Government are serious about levelling up opportunity and improving quality of life. If Stockport council's Liberal Democrat administration is serious about addressing the country's largest deprivation gap, it must ensure that all parts of our borough get a fair share of funding.

11.19 am

The Parliamentary Under-Secretary of State for Housing, Communities and Local Government (Nesil Caliskan): I thank my hon. Friend the Member for Stockport (Navendu Mishra) for securing this debate, and for using this opportunity to highlight so powerfully not only the brilliant things about his constituency and Reddish, but the challenges that need to be addressed.

The regeneration of our towns and cities is at the heart of this Government's core mission to deliver growth and prosperity in all corners of the country. Protecting and enhancing local areas, including vital community assets such as libraries, leisure facilities and health facilities, is central to that work. I know that that is felt particularly keenly in neighbourhoods across Stockport, including Reddish, which my hon. Friend has spoken about today. Too many neighbourhoods have been let down and left behind after decades of under-investment and many years of austerity—areas such as Reddish have paid a heavy price. I know that political choices have to be made, but the consequences of the choices made in the austerity years are still being felt by people in Reddish.

My hon. Friend was absolutely right to say that the impact of years of decline has not been felt equally. That is why it is crucial that this Government are relentless in focusing on growth and regeneration to raise living standards across the country. By working in partnership to invest in and empower all regions of this country, we will kick-start growth and work to address the imbalances that exist between and within regions.

Funds such as the local regeneration fund and the UK shared prosperity fund have helped local areas to regenerate, but there have been limits. I am pleased that residents in Stockport will have benefited from a number of schemes financed by both funds, including for new employment spaces, improved rail access and walking and cycling routes, all of which are aimed at bolstering the local economy, connectivity and public health. However, as my hon. Friend has said, too many legacy funds were pitting places against each other through competitive bidding, which led to places such as Reddish being left behind. Those funds are coming to a close, and the Government have been looking at how local projects are funded, introducing a longer-term approach that provides sustainable and predictable support for local authorities.

The truth is that elected local leaders have the expertise on how to invest in their communities. Having served as a local council leader myself, I feel that very strongly, and I know that, regardless of political party affiliation, the interests of local communities are best understood

by local leaders. That is why the Government have committed to a series of new devolved levers and flexible funds to regenerate places, including by introducing new funds for mayoral strategic authorities.

In its integrated settlement, Greater Manchester has been allocated £141 million of local growth funding over the next four years. That enables strategic, place-based investment, meaning that money will be targeted where it is needed most, addressing challenges for areas that need additional support to get projects off the ground. We have also announced city investment funds, which will place money directly into the hands of mayors to deliver new housing and to get existing projects moving forward. Local authorities are, of course, essential partners in that work. We know that mayoral strategic authorities work closely with their constituent councils to shape priorities, as they should, including by co-designing interventions and ensuring that funding reflects local need.

One example of new and locally led delivery is the Pride in Place programme, which I am glad my hon. Friend referred to. Over the next decade, it will deliver £2 million per year directly to the local community in Brinnington, which is just on the other side of Reddish Vale country park. As I say, local people know what changes are needed for their community to thrive. That is why decision making on how those funds are spent sits with local neighbourhood boards. They will decide how to spend that money, whether it is on local arts, culture, heritage, sports, parks or something else that they think is important for their community.

Lisa Smart: I strongly agree with the Minister's point about local leaders being best placed to make decisions. However, does she agree that when £3 of every £4 of Stockport council's revenue spending goes on social care for children or adults, the number of choices that the council can make is far too limited?

Nesil Caliskan: I entirely agree that local government has for too long been underfunded, and we are, as a Labour Government, having to respond to 14 years of deep austerity. Having spent 10 years in local government, I would want to see more if the pot were endless, but politics is full of choices, as my hon. Friend the Member for Stockport said. Before us is the choice being made by this Government to ensure that we target resources at the areas that need them most. Projects such as Pride in Place, and the record amount of money given to local authorities across the country, demonstrate that.

There is much more to do, which is why I welcome this debate. My hon. Friend has highlighted the need for more investment in Reddish. I was pleased to hear that, since the launch of the Pride in Place fund, really good progress has been made, but there is more to do, and I hear his strong representations.

I know that local services, including decent library services, are a lifeline to many people up and down the country, including in Reddish and other parts of my hon. Friend's constituency. I pay tribute to the individuals he mentioned in his speech, some of whom contribute on a voluntary basis. If it were not for the voluntary sector, and for individuals who help communities through their activities, we would be much worse off as a country. I pay tribute to those individuals, as well as to local

[Nesil Caliskan]

council officers who work in frontline services and care so deeply and passionately about things such as library services.

We all agree that regeneration and protecting community assets are important. Investing in services, particularly libraries, is crucial. So many communities up and down the country want to see more of that. The most effective way to enshrine the needs of our communities in regeneration, to ensure that it works for them, is to equip local leaders with the necessary skills and tools to make that happen, and to ensure that we give them the voice and the levers that they need. I am pleased to see progress in the borough of Stockport, not only through new flexible spending powers granted to the Greater Manchester combined authority, and new funds and announcements to generate growth in the city region, but from empowering the local community to deliver and enhancing areas through projects such as Pride in Place.

My hon. Friend is right to say that the co-operation and co-production of services and regeneration, with the leadership of Members of Parliament, residents, and local authorities—which, in my experience always have good intentions, even if we do not always agree with their political choices—is an opportunity to shape a local place. The Government's approach recognises that different areas require different interventions tailored to local circumstances. We must not only focus on the immediate challenges, but continue to ensure that funding goes in the right direction for the long term.

I very much welcome and accept the kind invitation from my hon. Friend to visit Reddish and his wider constituency—I would be delighted to visit. I note that I was not invited to drink cider, but I shall invite myself to do that, too, alongside the visit to the hat museum. I thank him once again for securing this important debate and for being such a strong champion for his constituents.

Question put and agreed to.

11.28 am

Sitting suspended.

Coastguard Volunteers: Remuneration and HMRC Guidance

[SIR ALEC SHEL BROOKE *in the Chair*]

2.30 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): I beg to move,

That this House have considered HMRC guidance and remuneration of coastguard volunteers.

It is a pleasure to serve with you in the Chair, Mr Shelbrooke. I welcome the Minister to his place.

This debate is timely, because I am angry and offended by what the Maritime and Coastguard Agency is doing to our coastguard rescue officers. I believe that the changes being introduced, following the recent Court of Appeal judgment, risk hollowing out a crucial emergency service that is relied on by people in my constituency and other coastal and island communities around the country. I believe that the changes should be paused so that a proper and meaningful consultation can be held, and then brought back in a shape that respects the contribution and service given by coastguard rescue officers and secures the future of that service.

I want the Minister to understand just why this matters as much as it does, so let me take the House back to 8 December 1963, some 20 months before I was born. At 3 am on that date, the trawler Margaret Wicks, of Fleetwood, ran aground off the coast of the Mull of Oa, on the island of Islay. The report of that grounding from the time recorded:

“The Margaret Wicks went ashore on the Mull of Oa, a wild isolated part of Islay where there are few roads”—one, in fact—

“at 3 a.m. on 8th December. Within...hours, the Mull of Oa company, who live in a small isolated community about three miles away, were on the scene. Shortly afterwards the Port Ellen company arrived, having carried their life-saving gear for two miles across very rough, boggy terrain from the road where they had left their lorry.

The trawler was hard ashore, close in under a steeply sloping cliff 250 feet high; and the Volunteer-in-Charge, Mr. John Lockhead, took his men down the cliff to a point about 20 feet above the bows of the stranded vessel, from which they carried out the rescue. A whip and breeches buoy was used, and within half an hour the first survivor was landed. The other 14 were brought ashore uninjured within the next hour. The Islay life-boat and H.M.S. Hampshire were both lying off shore, unable to help because of the rocks which surrounded the wreck.”

One of the men who was part of the Mull of Oa company was my father. He and his friends and neighbours were awarded the Minister of Transport's shield for best wreck service of the year for 1963-64, jointly with the Lerwick station in Shetland—for obvious reasons, I am relieved that it was called a draw. The rescue of the Margaret Wicks is part of my family's story.

My father will celebrate his 95th birthday next month. I spoke to him about the rescue last night; he recalled it with total clarity and in great detail. He told the story not boastfully, but with a pride rooted in an understanding that this is part of what it means to be an islander or to live in a coastal community. Our communities produce fishermen and other seafarers, so coastguards and lifeboat volunteers go to those who are in difficulty and distress on our shores because, if it were necessary, we would want the same to be done for those about whom we care.

Of course, the modern coastguard service is very different from the one that my father was part of in 1963. Now, the crew of the Margaret Wicks would most probably be lifted by helicopter rather than by a breeches buoy, but the same sense of pride and duty motivates coastguard volunteers today as it did my father and his neighbours six decades ago.

I heard that same sense of pride and duty when I met CROs in my office in Orkney on Saturday—incidentally, we were in my office because I was not allowed to meet them in the coastguard station. I heard about the four days that they spent searching the coastline for a young monk who had gone missing from the monastery on Papa Stronsay. I heard from CROs in Shetland about the role that they played a few years ago when a winter storm brought catastrophic failure to the local electricity network, leaving parts of our community with no power for over a week.

Amanda Martin (Portsmouth North) (Lab) *rose*—

Mr Carmichael: I know of no CRO who gives their time and skills for the money, but the way in which they have received financial recognition in recent years has enabled them to make their contribution. That is especially true for the self-employed: many paid by the hour in their day jobs will lose out financially. They knew that system when they signed up, but now it is being changed and they are expected to carry on as they did previously. That is not reasonable and does not respect the contribution that the CROs make.

Amanda Martin *rose*—

Mr Carmichael: I have spoken to you about taking interventions today, Mr Shelbrooke. So many people are in the Chamber that I am afraid I have agreed to take just one—from the hon. Member for Isle of Wight East (Joe Robertson), who is running the drop-in session. I hope that somebody has been counting and listing the people in the Chamber, to highlight the importance that we all attach to this issue.

It is critical that the Minister should understand what that sense of pride and duty means. I am afraid that the senior management of the MCA apparently have no understanding of it at all; their handling of the issue has been heavy-handed to the point of being disgraceful. Instead of engaging and consulting, they have produced a scheme that fundamentally rewrites the contract between the agency and the CROs. As a result, we risk seeing CROs walking away from the rescue service, to the point of losing the critical mass of people needed to provide the service.

Joe Robertson (Isle of Wight East) (Con) *rose*—

Mr Carmichael: This is the intervention.

Joe Robertson: I thank the right hon. Gentleman for giving way and congratulate him on securing this really important debate. Does he share my concern that, from the Isle of Wight to Orkney and Shetland, the management of the Maritime and Coastguard Agency are showing a lack of heart and a callous approach when it comes to their problem resulting from the model that they have developed for how to protect our coastline? It seems that they are driven by their problem with HMRC payments, when they should be putting the coastguard rescue officers first—brave men and women working on the frontline to keep our country safe.

Mr Carmichael: Possibly the least surprising thing that the House will hear today is that I agree with every word of that.

In my view, what is being proposed is so fundamentally disrespectful of CROs. Despite that sense of pride and duty and the importance of the service that CROs provide to coastal and island communities, we risk losing many who currently give service. Senior management in the Maritime and Coastguard Agency—here, I single out the chief executive for particular criticism—are so removed from the service that CROs provide to communities that they are prepared to see it destroyed. Either they do not understand the people they are paid to manage or they do but are indifferent to the consequences of their actions. Either way, it is apparent to me that there is a crisis of leadership within the agency. That is what makes the issue a problem for the Minister.

The people who do understand the CROs are those whose job it is to recruit, train and manage them. Go back 10 or 12 years: the MCA made a strategic shift of resource away from coastguard stations to put extra into the training of CROs. Money was spent on better equipment and training for the volunteers. That took time, but it worked. I give the agency credit for what it did then. I have watched Dave Sweeney, my local coastguard operations manager in Shetland and Orkney, as he has built and shaped a network of teams across the northern isles. That has not been quick or easy, but it has worked.

It is the coastguard operations managers and their other full-time colleagues who have been charged by the senior management of the MCA with communicating and driving the changes now being proposed. Since this debate was announced, I have been contacted by a number of them who have told me how the issue has been handled within the agency. That has been truly shocking and displays an organisation with serious cultural and management issues to address.

The representations have come to me in confidence and I shall share them, suitably anonymised, with the Minister after this debate. Suffice it to say that they lay bare a truly shocking approach to management that is based on a culture of bullying and a lack of respect for the people on the frontline. One in particular describes the manner in which the issue has been handled within the agency:

“Every full time coastal officer in the UK has this week been called to a meeting led by the Assistant Chief Coastguards from Southampton.

These meetings were non-negotiable, all FTOs”—
full-time officers—

“must attend.

These meetings have taken place in secret, in hotel meeting rooms or MCA business suites.

On entering the meeting room, FTOs are informed that under no circumstances should any information be leaked from the meeting until July or we risk losing our careers.

FTOs are informed that they may not record or take pictures of PowerPoint slides nor take any notes on the shared information as this will all be sent out in due course.

Delegates at the meeting are demanded that they must and I mean ‘MUST’ toe the agency line that we are in support of the withdrawal of remuneration even if we do not believe in it or have moral issues with it.

FTOs are told that we must deliver the message to all Coastguard Teams in the UK and must not deviate from the message.

[Mr Carmichael]

We were told that if we did not agree with the policy then we must get over it or risk losing our jobs...One Assistant Chief Coastguard stated ‘you can get on the bus or join the party, or you can get off and leave the service’ thus insinuating that our full-time jobs are at risk if we do not do as we are told...We raised a concern that we will need to work extra, we were told to ‘just suck it up’ by one Assistant Chief Coastguard.

We asked if extra hours and evenings incurred overtime and were told absolutely not. We are working over our 37 hours for free all because the UK Government have made a decision and we need to deal with the consequences.

Another Assistant Chief Coastguard shouted at delegates because we all asked too many questions”.

That is the position in which these changes are being driven. For as long as I have known it, the MCA has been a body with challenges, but the situation that has been described to me is on another level altogether. To undertake changes of this nature and scale in this way is unacceptable for any public body. To risk leaving coastal and island communities with no resilience in moments of crisis is not just unacceptable but unconscionable. That is why I make this earnest plea to the Minister to intervene. Pause what is being done, bring in someone from outside the service to examine in short order the way in which these changes have been made and communicated, look at the culture within the service, and work out how to recognise the work that CROs do in a way that is compliant with the law and respects their efforts. It cannot be beyond the wit of man.

The chief executive has failed to engage with volunteers since the remuneration announcements, and appears to be having leadership struggles at the top with other senior officers. This is an issue that matters beyond measure to communities such as ours. I hope the Minister will hear our simple ask. I hope he understands from the sheer number of people here today the importance that we attach to it and acts accordingly.

Several hon. Members *rose*—

Sir Alec Shelbrooke (in the Chair): Order. I remind Members that they should bob if they wish to catch my eye. Colleagues can see how many people are bobbing. We will go to the Front Benchers at 3.28 pm. I intend to start with a three-minute limit to try to get in one speaker from each of the parties. That may not be possible, but I will try to achieve that.

2.43 pm

Dame Nia Griffith (Llanelli) (Lab): I will try to keep to your limit, Sir Alec.

The work of the Burry Port coastguards is absolutely vital to my constituency, which is surrounded on three sides by water. It has a long coastline, treacherous estuaries, constantly shifting sands and a huge tidal range, as well as very attractive miles of beaches and coastal paths, which draw locals and visitors to the waterside. There is significant local seashore activity and a tradition of cockle pickers and fishermen. Burry Port harbour has lots of small boat activity, and there is a small boat that goes from Ferryside to Llansteffan. Many holiday visitors enjoy the beaches and the sea, often unaware of the dangers. The coastguard station is very busy. It covers not just the immediate area but helps out across the Gower, all the way from Llansteffan to Port Talbot.

I was horrified to hear the news that, from September, HM Coastguard will cut even the small financial token of appreciation given to the volunteer coastguard rescue officers for their amazing dedication and work, which amounts to a mere £11 per hour during call-outs—not even the national living wage.

Douglas McAllister (West Dunbartonshire) (Lab): I am concerned that the small allowance for coastguards, to which my hon. Friend refers, is what prevents public service from becoming a personal financial penalty; by removing that, we risk making it significantly harder to recruit and retain volunteers, particularly for new teams such as the Clydebank coastguard rescue team—a new station in my constituency. This sets a worrying precedent and threatens the frontline capability of our search and rescue team. Does my hon. Friend agree that we have to look at the changes before September?

Dame Nia Griffith: Indeed I do.

Sir Alec, just think how much time and effort our volunteer coastguard rescue officers put into ensuring that they can provide the very best service and dovetail with the other emergency services. They are real multitaskers and trained to a very high standard. They have to be multitasked. They are trained in search skills up to police search adviser standard and trained to medical critical care standard. They have the mud rescue fitness of a fire officer, do water rescue—entering the water in full personal protective equipment, including steel-toed boots—and are trained for cliff rescues and working with rescue helicopters. In other words, they have to be really versatile and ready to go out in the most appalling rain, risking their lives.

CROs give up their own time to do the training, but it is no good just doing the training. They have to maintain the skills through practice sessions, because lives depend on it. They get £11 an hour for some training sessions, but they have to do the practice sessions every week just as volunteers. Of course, many of them have been extremely loyal, given many years of service and even had awards from the King for their service. No one is pretending that volunteer coastguards do it for the money, but a little something towards the costs and inconvenience that they incur is welcome in a cost of living crisis. Yes, they get some costs and mileage, but there are, even there, serious legal matters like having to pay business insurance for their own cars.

Stopping the payments in September looks exceedingly cynical: as if to say, “We will make the most of your skills and dedication over the summer, when we are expecting loads of visitors”—perhaps more than ever, because of the jet-fuel fears—“but come September, we will make the cut that we know might make some of you resign.” I can tell the House that CROs feel so insulted and angry, to put it mildly. Who can blame them? If His Majesty’s Coastguard thinks that it will be able to get new recruits, it is living in cloud cuckoo land. No one is going to volunteer after this treatment. Plus, it takes a very special person to be able to do this type of work, and gone are the days when big employers could release people. It is much more difficult now, given that far more people are self-employed.

Will my hon. Friend the Minister, first, pause the current cuts plan for September to give time for a rethink and then, importantly, find a way for volunteer coastguards to be at least as well rewarded financially as

they are now? I do not want any hiding behind legal issues. There must be ways of doing that. Could the Minister also clarify what is happening about death in service for those who pass away while they are still volunteer CROs? That would greatly benefit the families of the deceased.

We simply cannot allow our dedicated volunteer coastguard rescue officers, with all the service that they have given and continue to give, to be kicked in the teeth like this. Lives depend on their good will and expertise, and we have a responsibility to ensure that they are properly respected and rewarded—

Sir Alec Shelbrooke (in the Chair): Order.

2.47 pm

Sir Ashley Fox (Bridgwater) (Con): It is a pleasure to serve under your chairmanship, Sir Alec. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing this debate and introducing it so very well.

In Burnham-on-Sea, we have a fantastic coastguard team and rescue officers. They are dedicated volunteers who respond to incidents along one of the most challenging stretches of coastline in the country. The Bristol channel has one of the highest tidal ranges in the world, and the risks are very real. When people get into difficulty, it is these volunteers who respond, often within minutes. Following the recent court ruling and changes to policy, many of those volunteers now face losing the limited financial compensation that they receive in return for their valuable efforts. I have spoken to members of the Burnham-on-Sea coastguard team, who are deeply concerned about what that means for their future involvement.

Christine Jardine (Edinburgh West) (LD): The hon. Member talks about the responsibilities. Does he agree with what the coastguard in South Queensferry, in my area, has said—that at the stroke of a pen, the MCA has dispensed with all responsibilities to the CROs and put them in a vulnerable position?

Sir Ashley Fox: I agree with the hon. Lady: I think those volunteers have been poorly treated.

The payments were never a salary, but they made it possible for people to continue volunteering. One officer of many years, who shared his thoughts with me, said:

“Call Outs never come at a ‘convenient’ time. The money we earn would never replace the time lost, but it does soften the blow.”

It is often said that rescue officers do not volunteer for financial reward but out of a strong sense of duty and community spirit. However, the modest compensation recognised the very real costs involved: travel, time away from work and the disruption to family life.

I understand that the MCA must operate within the law, and that the Court of Appeal ruling has created a complex situation. It is, though, sad to see these committed volunteers penalised as they have been. I urge the Government to look at what they can do to continue supporting our volunteer coastguards and would be grateful if the Minister addressed these questions when he sums up. What assessment has been made of the impact on recruitment and retention? In constituencies such as mine, a reduction in volunteer numbers would have a direct impact on public safety. Is the Minister

satisfied with the MCA’s engagement with volunteer coastguard teams? I end by thanking the coastguard volunteers in Burnham-on-Sea and across the country.

2.50 pm

Tony Vaughan (Folkestone and Hythe) (Lab): It is a privilege to serve under your chairship, Sir Alec. I pay tribute to the brilliantly dedicated and inspiringly selfless coastguard rescue officers across the country, but particularly those who operate in my constituency—at Folkestone, Hythe and Romney Marsh. They are represented in the Gallery today.

For my constituents and the many visitors who come to our area to experience our brilliant and beautiful coastline, the coastguard makes a vital contribution to the emergency services’ ability to keep people safe. I recently met a number of volunteer officers from the Folkestone and Romney Marsh coastguard rescue teams. They attend hundreds of incidents a year, including cliff rescues—we have the white cliffs of Dover; sadly, people sometimes jump off them: it is necessary to address what is going on at the top as well as at the bottom—as well as missing persons. There are all sorts of circumstances in which the police or the fire brigade cannot or will not reach people, so the CROs perform a vital role as part of the emergency services.

Helena Dollimore (Hastings and Rye) (Lab/Co-op): My constituency neighbour and I share a coastline, and we know the important work that CROs do. Does my hon. and learned Friend agree that they must be valued as the emergency service that they are, especially as more extreme weather events mean that they are more needed than ever?

Tony Vaughan: I entirely agree. That is absolutely key. A coastguard officer said to me that the money they get helps to offset some of the costs, but I think this phrase sums it up:

“we do not do this for the money; the money means we can do it.”

Other Members have talked about sacrificing family time; one officer said to me that he once left a wedding to attend a call-out. That is the level of bravery and commitment that these individuals are showing every day. The approach that the Maritime Coastguard Agency has adopted is not the way to treat them.

If we remove the recognition in those payments, I, like the CROs I have spoken to, think it is obvious that availability will fall, resilience will decline and our coastal rescue services will simply start to disintegrate. That will put lives at risk. I echo the point made by others: the MCA has dealt with this in a very heavy-handed way—it seems entirely procedurally irregular. The MCA has serious questions to answer about how it has gone about this.

My questions for the Minister are similar to those posed by other hon. Members. Does the Minister know whether the MCA has modelled the likely reduction in volunteer availability following the proposed changes to remuneration, particularly for high-demand response teams such as those in Folkestone and Romney Marsh? If so, can we please see them? Does the Minister know whether the MCA has carried out a safety impact assessment, and whether that will be published? Critically—this has been raised by others—what meaningful engagement does the Minister know the MCA has had

[Tony Vaughan]

with unions such as the GMB and with serving officers? Are the Government open to reviewing the proposed model of employment and the removal of the call-out fee for CROs in the light of that dialogue?

Finally, like the right hon. Member for Orkney and Shetland (Mr Carmichael), I ask for the implementation of these changes to be paused so that we can understand the impact on volunteer capacity. Ultimately, we have to maintain the standards of the service and the good will of those who volunteer every day to keep people safe. That is in the interests of the country and of all those who put their lives on the line for that service.

2.54 pm

Brendan O'Hara (Argyll, Bute and South Lochaber) (SNP): It is a pleasure to see you in the Chair, Sir Alec. I congratulate and thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing the debate and for how he opened it.

With 23 inhabited islands, innumerable uninhabited islands and an aggregated coastline longer than that of France, my Argyll, Bute and South Lochaber constituency has 22 coastguard stations—more, I believe, than any other constituency in the UK. On behalf of everyone in the House, I want to say a sincere thank you to those dedicated, highly skilled and incredibly brave men and women who risk their lives at sea working out of Kilchoan, Kames, Salen, Coll, Tiree, Tobermory, Craignure, the Ross of Mull, Colonsay, Jura, Port Charlotte, Port Ellen, Appin, Oban, Crinan, Tarbert, Gigha, Campbeltown, Inveraray, Rothesay, Dunoon and Helensburgh.

Across my vast but sparsely populated constituency, many of those coastguard stations are already understaffed. They have been struggling to recruit volunteers as it is, because of the low availability of suitable candidates. The MCA's plan to strip these vital volunteers of their pittance of a remuneration will be another huge stumbling block to both the recruiting and retaining of coastguard rescue officers in these rural areas.

I add my voice to those of the growing number of people not just protesting against the MCA's decision but calling on the UK Government to become directly involved in the dispute and to use their influence to force the decision to be paused, to allow for meaningful consultation and discussion to take place, so that a fair and equitable solution can be found.

Whether they like it or not, the UK Government have a hugely important role to play. Although the decision has been taken by the MCA, the MCA is answerable to the Department for Transport and, ultimately, to the Secretary of State. Should the Government not intervene and pause the MCA's plan to cut the remuneration and allow meaningful discussion to take place, they will have to accept that serious consequences will inevitably follow—not just for morale or recruitment and retention, but for public safety.

2.57 pm

Lorraine Beavers (Blackpool North and Fleetwood) (Lab): It is a pleasure to serve under your chairmanship, Sir Alec, and I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for bringing forward this important debate.

In 2024, Fleetwood and Lytham's coastguard stations were officially recognised as the busiest in the UK. Only four days ago, Fleetwood coastguard rescue officers spotted around 20 teenagers out in the sea in Bispham. While some were able to get themselves out of the water safely, others were struggling. Coastguards then rescued three of the children, who were taken to hospital. Without our heroic coastguard, it could have been a lot worse.

The Maritime and Coastguard Agency plans to maintain the legal volunteer status of coastguards by removing their remuneration. That will have a terrible impact on my community, and it cannot be allowed to happen.

Chris Webb (Blackpool South) (Lab): I thank my hon. Friend and constituency neighbour for giving way. Does she agree that the coastguard is essential to the safety of our coastal communities—both residents and tourists—and that we must ensure it continues to deliver this vital service?

Lorraine Beavers: I do.

To make things even worse, according to the GMB, members were informed of the removal of the payment by a WhatsApp message. We all know that coastguards are not motivated by financial reward; they come into this role to serve their community, protect our residents and save lives. Coastguards in my constituency have told me that they already lose income from their main work, as call-outs are often late at night and during working hours. They also miss out on time with their loved ones because they are keeping our community safe. Removing their remuneration is unsustainable for our coastguards, and we cannot afford to lose them.

Jayne Kirkham (Truro and Falmouth) (Lab/Co-op): Coming from Falmouth in Cornwall, I know that coastguards and the brilliant work they do are crucial. May I suggest a potential solution for the Minister to consider, whereby HMRC agrees some sort of disturbance or disruption allowance that volunteers can claim? We have to ensure that coastguard volunteers can continue doing this vital work.

Lorraine Beavers: I absolutely agree with my hon. Friend and I am sure that the Minister will look at that suggestion—well, I hope so, anyway.

One coastguard wrote to me stressing that removing this support risked affecting availability, recruitment and retention. They warned that we might lose capacity in people and in skills that would take years to rebuild. I have written to the CEO of the Maritime Coastguard Agency to express my concern and I call on the Government to ensure that a sustainable remuneration model is found. We owe it to our coastguards to get this right.

I will be grateful for answers to the following questions. First, have the Government considered options that would allow for remuneration while complying with employment law? Secondly, how will the Government ensure operational resilience if large numbers of coastguards leave, and has an impact assessment of that happening been made? Finally, do the Government believe that it is sustainable to rely on volunteers who receive expenses only?

3.1 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch o galon i holl wylwyr y glannau am eu gwaith. [*Translation: Heartfelt thanks to all the coastguards for their work.*]

The economy of Gwynedd is highly dependent on tourism, especially our coastal communities in the Llŷn peninsula and on the Meirionnydd coast, as well as in the uplands of Eryri. To give a snapshot of the impact on population numbers, the year-round population of Abersoch in Llŷn is 600, but that increases to 50,000 in the summer. The volunteer rescue services and the salaried blue light teams are under immense pressure to deal with these numbers, even as things stand. Keeping the public safe under such pressures requires a close-knit response from people who know their local coast and country like the back of their hand, who are prepared to turn out at short notice and who are fully trained to bring a professional response to an ever-changing environment and hazardous challenges.

Gwynedd has eight coastguard stations at Aberdaron, Abersoch, Bangor, Barmouth, Criccieth, Landwrog, Porthdinllaen and Tywyn, and there are at least 80 volunteer coastguard rescue officers in the county. The coastguard rescue teams at these stations provide essential emergency response capability along the Welsh coastline, including search and rescue, missing person operations, flood response, and cliff and mud rescues. They co-ordinate with North Wales police and transport police, North Wales fire and rescue service and the Welsh ambulance service, and with volunteers from the Royal National Lifeboat Institution and mountain and cave rescue teams. They even attended the Talerddig train accident in 2024, where there was a fatality. The public do not distinguish between the services. They see emergency responders, they see uniforms and kit, and they trust them—sometimes with their lives.

Amanda Martin: Portsmouth coastguard rescue officers responded to 171 incidents last year, and I rise to express my admiration of them and of the coastguard rescue officers in the right hon. Member's constituency. Does she agree with me and my constituents that the Maritime and Coastguard Agency had a number of options available to it, but it chose to blatantly ignore those options and instead put the burden on the shoulders of the CROs and their families, which is just not good enough?

Liz Saville Roberts: I agree entirely. A CRO suggested to me that we should look at the model for retained firefighters. I wonder whether that is something the Minister might consider. Obviously, there will be issues with that model, but other models have been suggested by the CROs.

I have already cited the evidence showing that we need CROs. Now, let me pass on what they have told me about the proposed changes. Teams will be put under extra pressure when—not if—some members cannot attend incidents because they will be out of pocket, whether they are working or for another reason. The exact same issue will arise in respect of essential training sessions. We risk losing officers with decades of experience, skills and local knowledge. Emergency response times will increase when neighbouring teams are called in because local officers are not available; we already know that that happens with the fire service on occasion.

Recruitment will be hit as new team members are required to do 10 days' training without remuneration. This will reduce the pool of people who can afford and are willing to do this work. CROs already feel isolated and ignored; their morale will fall even further.

I will also quote what one CRO told me, and I have been careful here because CROs do not want their names to be put on the record. We have already heard that they are being threatened by their management, which is frankly appalling, although it gives us a role here as MPs to say the words that really should be coming from their own mouths. This CRO told me their work involved

“People sacrificing time that could be spent with family to go out in all weather, at any time of day or night, to carry out all manner of rescues, from a dog on a cliff to recovering dead bodies.”

That is what these people do.

I have already tabled written questions about whether the Government have assessed how many CROs are likely to leave the service, the impact on public safety and the long-term sustainability of the coastguard if it were to operate on a wholly volunteer model. The Government have not provided any answers to those questions. I therefore ask them again to the Minister, and I look forward to hearing his response. Diolch yn fawr.

Several hon. Members rose—

Sir Alec Shelbrooke (in the Chair): Order. I am going to break with convention ever so slightly. The next speaker will be the hon. Member for Arbroath and Broughty Ferry, as she is one of our new colleagues and I want to give her three minutes. After that, returning to convention, I will call Lloyd Hatton, at which point we will have a two-minute limit.

3.5 pm

Lara Bird (Arbroath and Broughty Ferry) (SNP): I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing the debate.

It is important to me that this is my first contribution in this place, having arrived only last week, because the first email I ever had from a constituent was on this very matter. I have been inundated with similar emails since. That demonstrates the importance of this issue to so many of our constituents, which many others have mentioned.

In my coastal constituency, a coastguard station in Arbroath proudly serves the stretch of coast between Montrose and Dundee; it is fundamental to the safety and protection of those in peril all the way to St Andrews. It is a busy corridor, and the coastguard works closely with RNLI stations in Arbroath and in Broughty Ferry to save hundreds of lives every year.

The volunteers who dedicate their time and lives are so much more than volunteers. They are members of our community—mine and everyone else's—who work day in, day out and deserve to be respected for that. Coastguard teams not only respond to traditional maritime emergencies but, as many have said, are increasingly called to incidents involving, for example, people experiencing severe mental health distress, including vulnerable individuals at risk near coastal areas, bridges, cliffs and waterways, which my constituency has in abundance.

[Lara Bird]

This very real decision has very real consequences for people's lives, and constituents who have spoken to me do not feel it has been handled with adequate respect or seriousness. At a time when communities, including mine, are facing pressures on mental health services, reductions in community outreach provision and increased demands on emergency services, the coastguard is becoming an essential part of the crisis response service. Does the Minister accept that highly trained responders who are being relied on to undertake complex, distressing and lifesaving interventions cannot simply be viewed as casual volunteers? In coastal communities such as Angus, losing experienced CROs will affect not just rescue capacity, but the wider safety nets available to people in their darkest moments.

Morale in my CRO team in Arbroath is exceptionally low. My constituents have conveyed to me that they feel this process has been done to them, not with them or for them. The two questionnaires circulated—"badly drafted" questionnaires, as they put it—were the only basis on which they were able to convey their concerns. What assessment have the Government made of the impact that changing the status may have on recruitment, retention and the resilience of the coastal emergency response? Those are the key questions that my constituents have.

3.8 pm

Lloyd Hatton (South Dorset) (Lab): I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing this timely debate.

As many Members have mentioned, the coastguard rescue service is an essential component of our emergency services, and that is certainly the case in South Dorset. Whether they are locating missing and vulnerable people, responding to injured climbers, walkers and sailors or, tragically, recovering those who have lost their lives, coastguard rescue teams across South Dorset are highly skilled and essential to keeping local people and visitors safe along our Jurassic coast. That is why I am incredibly concerned about the Maritime and Coastguard Agency's changes to volunteers' remuneration following the handing down of Court of Appeal's judgment earlier this year.

Following initial conversations with volunteers across South Dorset, I know that they are particularly concerned that the proposed changes will harm the future recruitment of volunteers, undermine morale in existing teams and risk many volunteers leaving the service altogether. Those concerns were powerfully illustrated to me by one of my constituents, whose family have served in the service for more than 150 years across five generations. His recognition and bravery were rewarded and recognised with a Queen's gallantry medal in 2017. Despite that lifelong commitment to the coastguard rescue service, he told me that the proposed changes could leave him unable to dedicate the time and effort that he once did.

I urge the Minister to consider carefully the concerns of coastguard volunteers in South Dorset and across the country. I fear that without action and direct intervention, the real impact of these changes will be devastating for coastal communities across the country. That is painfully clear from their stories. We all know that the outcome of the Court of Appeal's ruling is wholly unacceptable and cannot be allowed to stand. For all these volunteers, we can and must do better.

3.10 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairship, Sir Alec. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for once again speaking up for coastal communities. I speak today on behalf of the brave, dedicated and selfless coastguard rescue officers not just in my beautiful constituency of Strangford, but right across the entire United Kingdom of Great Britain and Northern Ireland.

Robin Swann (South Antrim) (UUP): We should remember that this change will have an effect across all the United Kingdom, including Northern Ireland. A Northern Ireland coastguard rescue officer contacted me to say:

"I am not writing out of personal financial interest"

but

"because I care deeply about the future of a service that has protected lives for generations".

Does the hon. Member agree that their voices need to be heard?

Jim Shannon: That is the whole reason why we are here. We are their voice in this place for them.

From Portavogie down to Ballywalter, all around the shores of Strangford lough and the Irish sea, the people of Strangford know the dangers of the sea. Our volunteers put themselves directly in harm's way to protect complete strangers. They are the very pinnacle of noble public service. I have been contacted by a number of constituents who frankly feel insulted by the Maritime and Coastguard Agency's decision to strip away their remuneration completely, following the recent Court of Appeal ruling. The removal of the remuneration sends a devastatingly wrong message to those who give up their time, often at a moment's notice and in the dead of night, to respond to life and death emergencies. They balance their lifesaving responsibilities alongside their regular day jobs, family commitments and community involvement. Remuneration provided by the MCA was never, ever viewed as a luxury. My fear is that the heavy-handed withdrawal of payments will absolutely decimate morale. What will it do to recruitment? What will it do to retention, when our coastguard teams are already stretched to their limit safeguarding lives?

I have great respect for the Minister and this is in no way a personal attack, but I do have some questions. With the greatest respect, what assessment has his Department made of the impact that this policy change will have on volunteer recruitment? Will it just wait until a station cannot turn out to an emergency because it cannot retain staff? What alternative mechanisms are being looked at to ensure that these officers continue to receive appropriate recognition and support for their vital work? We need solutions. We look to the Minister to give us those solutions. We seek nothing less for our constituents.

3.13 pm

Anna Gelderd (South East Cornwall) (Lab): It is a pleasure to serve under your chairship, Sir Alec, as we debate an issue that matters so deeply to communities in South East Cornwall. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing the debate.

Truthfully, this debate is about people. It is about those dedicated coastguard rescue officers who leave family dinners, children's birthdays, Christmas day celebrations and their homes in the middle of the night to respond when somebody else is in danger. They are often the first on the scene when someone is trapped on the coastline, caught in mud, stranded on a cliff or at risk of rising tides. They do not consider whether it is a convenient time; they simply respond. Some descriptions of their role simply do not reflect that reality. I have heard the role publicly described as being only a few hours a week in a volunteer capacity, which does not speak to the sleepless nights and multiple call-outs.

Officers have talked to me about the hours spent at incidents in really difficult conditions, including in my own village very recently. They talk about mandatory weekly training, travelling at their own expense and giving up significant personal time to maintain the skills that save lives. They are highly trained emergency responders carrying out category 1 response work. They understand the spirit of volunteering and public service and many are proud to give their time in that spirit, but they also carry legal responsibilities; they wear the uniform of a Government agency and they respond as part of our blue light emergency response system. The appropriate measure to deal with that must be engaged with.

I want to address remuneration. Officers question why training can be unpaid, why they often travel at their own expense and the impact that might have on family finances. They want to do this job in the spirit of volunteering but they must be recognised. I ask the Minister not to view the issue through just one lens but to engage with them, perhaps visit me in South East Cornwall and undertake discussions in that spirit, which is so important for our communities.

3.15 pm

Andrew George (St Ives) (LD): I warmly congratulate my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael), not only on securing the debate and making a first-class case, but on managing to contain his deep irritation at the way this matter has been handled.

Mr Carmichael: You know me too well!

Andrew George: I do know my right hon. Friend too well. I also warmly congratulate the hon. Member for Arbroath and Broughty Ferry (Lara Bird) on an excellent first contribution to a Westminster Hall debate.

The coastguard service is clearly critical to a constituency like mine, with more than 150 miles of coastline across west Cornwall and the Isles of Scilly. There is a lot of heritage. The National Coastwatch Institution was established in 1994, following the tragic deaths of two local fishermen whose boat sank off the coast of the Lizard peninsula, within sight of the recently closed coastguard station at Bass Point. Although the National Coastwatch Institution provides a vital volunteer service, it does not in any way replace the coastguard.

Ben Maguire (North Cornwall) (LD): I thank my hon. Friend and Cornish neighbour for giving way and join him in commending the Cornish coastguard agencies, particularly Boscastle, Bude and Padstow in my constituency. Boscastle had its fair share of disasters in

2024. Does my hon. Friend agree that there are other options, such as statutory retainers, and that the Maritime and Coastguard Agency did not consult on those?

Andrew George: My hon. Friend is right, and I will come to that in a second. I want to share quotes from some of many CROs who have been in contact with me. One said,

"Many CROs...make considerable personal financial sacrifices in order to respond to incidents. Whilst nobody joins the coastguard for financial gain, the current remuneration helps offset the real costs associated with responding, including loss of earnings, disruption to employment, interrupted family life, loss of sleep and the wider impacts that emergency responses can have."

Needless to say, many of the CROs in my area are self-employed. Others say that on this occasion the bosses have

"made us all redundant and re-employed us as volunteers."

The right hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) spoke about using the model of retained firefighters, who are recompensed through a combination of an annual retainer, hourly rates for training and call-outs, and specific disturbance fees. That is a good model for the MCA to look at seriously.

I gave the Minister advance notice of a large number of questions, so I will summarise some of them. What level of consultation was undertaken with CROs prior to this announcement? What alternative options, including models such as the fire service and the RNLI, have been considered? What workforce modelling has been conducted to assess the likely impact on retention and availability? What operational safety assessment has been completed regarding the potential loss of experience, skills and leadership capability? What contingency plans exist if volunteer numbers fall below expected levels? In terms of viability, how has HM Coastguard satisfied itself on public safety? What impact assessment has been undertaken of the resilience of the future of coastguard rescue teams as a category one emergency call-out?

Sir Alec Shelbrooke (in the Chair): I do want to let everybody have a chance to put something on the record but, due to interventions, I have to cut to one minute. Any further interventions on speeches will reduce that further.

3.19 pm

Mr Bayo Alaba (Southend East and Rochford) (Lab): It is a pleasure to serve under your chairmanship, Sir Alec. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing this debate on an issue that concerns those in my constituency. The south Essex coastline is one of my constituency's greatest assets—beloved by residents, depended upon by our fishing community and a magnet for the more than 7 million day visitors who flock to Southend alone each year. But as beautiful as our coastline is, it can also be treacherous, from unpredictable tides to shifting mudflats.

Protection from physical danger requires specialised skills, a rapid response and a deep local knowledge. The Southend-on-Sea coastguard rescue team covers roughly 70 miles of coastline, and its 11 volunteers are the reason why our community can safely enjoy locations such as Shoeburyness's east beach, the marshes of Wallasea island and, of course, Southend pier. Rescue officers, those who—

Sir Alec Shelbrooke (in the Chair): Order. I call Edward Morello.

3.20 pm

Edward Morello (West Dorset) (LD): Thank you, Sir Alec. I thank my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) for bringing this important debate on what is, frankly, an outrageous and insulting decision by the MCA. I also pay tribute to the amazing work of the coastguard rescue officers in Lyme Regis, West Bay and across the country. I recognise the extraordinary sacrifice they make when they drop everything to respond to emergencies and save lives.

As has been said, no one joins the coastguard for the money, but that small, modest payment helps to soften the substantial financial impacts that they incur. My CROs tell me that it helps cover the cost of a family meal to say thank you for sacrificing time together; it replaces the sunglasses broken while performing CPR; it helps to compensate the children for an abandoned cinema trip; it helps to recognise the Christmases, birthdays and family gatherings that are missed because they are out on a cliff or in the sea, in the middle of a rescue, when the rest of us are at home. It is not a salary; it is recognition.

I believe this Government must find a way to square the circle of the court's judgment with properly recognising the sacrifice that these heroes make.

3.21 pm

Irene Campbell (North Ayrshire and Arran) (Lab): It is a pleasure to serve under your chairmanship, Sir Alec. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for opening this debate and for bringing attention to this important matter. I will keep this brief, as most points have already been raised.

CROs have contacted me on this matter, and there was a real strength of feeling about how they have been treated. In my constituency we have members of the coastguard rescue service across Ardrossan, Cumbrae and Largs, and it is a very busy service. CROs told me that they take pride in their vital role for the community, and feel that they should be able to continue to claim an hourly remuneration.

I will just add that coastguard rescue officers perform safety checks and maintain equipment, as well as supporting the emergency services, searching for missing people, rescuing people who may be trapped on cliffs or drowning, and often dealing with people in difficult and distressing situations. It is only right that all that should be reviewed.

3.22 pm

Richard Foord (Honiton and Sidmouth) (LD): For coastguard rescue officers, remuneration provides recognition of the sacrifices that they and their families make: the nights away from home, the cancelled plans, the annual leave taken for training and the loss of income as a result of having to go out and answer calls.

These coastguard teams are not built overnight; skills in search and rescue, casualty care and water navigation take years to acquire. Local knowledge, local experience and team cohesion are impossible to replace. If experienced coastguard rescue officers leave, those capabilities cannot simply be replaced.

I am particularly concerned about the impact on smaller and more remote coastal communities, where recruitment is already challenging. For the Jurassic coast, that might mean the team at Beer having to become dependent on teams at Exmouth and Lyme Regis. When an emergency occurs, the public do not distinguish between those organisations and others.

3.23 pm

Rachel Gilmour (Tiverton and Minehead) (LD): We are a proud seafaring nation—as John Evelyn put it, the “sea is England’s element”—and the coastguard stands as the nation’s eyes and ears along our shore. The west Somerset coast runs along the north of my constituency and, in the Bristol channel, we have the second highest tidal range in the world.

I ask the Minister, on behalf of my constituents who now face greater vulnerability as a direct result, on what basis the decision was made. It looks like negligence, but I fear that the blame lies squarely with the MCA. These CROs show extraordinary courage in the line of duty, and, as we all know,

“With courage, nothing is impossible”.

3.24 pm

Mr Angus MacDonald (Inverness, Skye and West Ross-shire) (LD): I thank my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) for securing this debate. This weekend, I watched the coastguard rescue a kayaker very close to my house. I spoke to the coastguard, who brought me up to date on the situation. There are two things to say. First, it is clear that the MCA management has made a right mess of this. It should listen to the petitioners and put its plans on hold. Secondly, will the Minister confirm whether he has discussed the volunteer fire service’s terms and remuneration with His Majesty’s Revenue and Customs and whether, for example, an honorarium, a stipend or another of its policies could be adapted?

3.25 pm

Josh Babarinde (Eastbourne) (LD): I thank my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) for securing this debate. Beachy Head in my constituency is, regrettably, one of the most visited suicide spots in the world. Every year, brave coastguards such as Mark Francis in Eastbourne recover bodies from those cliffs and intervene at the cliff edge. Their presence is often the difference between intervention and inquest. That is why I am outraged at the proposed changes that threaten to decimate our coastguard service and threaten lives. I urge the Minister, on behalf of not only our brave CROs, but the bereaved Beachy Head families, to pause the changes, to object to the MCA’s short-sightedness and to ensure that our CROs get the support that they deserve and that our communities need.

3.26 pm

Steff Aquarone (North Norfolk) (LD): It is a pleasure to serve under your chairmanship, Sir Alec. I congratulate my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) on securing this debate. He truly is a champion that coastal communities like mine can rely on to stand up for them. In terms of miles of

coastline per square mile of constituency, he is surely in the top three most qualified Members to speak on this topic.

I begin by expressing my gratitude and admiration for the work of the volunteer coastguard in North Norfolk and across the country. These brave teams go out to situations many of us could not dream of handling and save lives on a regular basis. As the weather improves and tourist season approaches, there will no doubt be more and more call-outs in the coming weeks. Because of their hard work, those enjoying our coast are much safer. It is also worth making clear that, whatever the outcome of these new changes, we will still have a coastguard; there will be people willing to protect us, and this issue should not scare people away from visiting our coastline.

Ahead of this debate, I did something that I fear is too rare in politics; I went out yesterday to speak to the people to whom this issue matters the most. I had several back-to-back phone calls with coastguard rescue officers based in some of North Norfolk's five coastguard rescue teams. Our coastguards have a fascinating range of backgrounds and experiences. They have a fantastic diversity of skills and careers that contributes to their excellent teamwork.

What was striking, and I think this has to be at the heart of our consideration, was that one chap said to me, "I'll be honest with you, Steff, I didn't even know that we got paid when I first applied". I heard that again and again, and I have also heard it from right hon. and hon. Members during this debate. The motivation for being in the coastguard is so far from financial that many did not even know that they would be remunerated. Even so, having financial support to cover lost hours of work means that coastguards have the confidence to volunteer more and attend more call-outs. Remuneration supports lost working time, but also the cost of those missed meals with the family because the pager went off and the plans cancelled so that they can spring into action. It is far from huge recompense—about £30 for a call-out of three hours or less—but it helps. It makes it viable for more people, it enables people to give up more of their time to volunteer and it makes the service more resilient.

We desperately need people to attend call-outs. One coastguard told me that when he started volunteering, his team received around 30 call-outs. Last year, it was 150. Another team told me that they had had just shy of 200 call-outs and were well on track to beat that this year. The coastguard is a vital service to my area and at this peak season it handles multiple call-outs a day. A gentleman I spoke to told me he was called out three times on Saturday; after a full week at work, he then sacrificed much of a day off with his family to save lives on our coast.

It is also not just lifesaving rescuing that the coastguard carries out. The coastguards I spoke to told me that their role often includes keeping the public safe from unexploded bombs uncovered on our beaches. It is a wait of many hours for the bomb squad to arrive in my constituency from Colchester, during which time it is our coastguard who protect and secure the scene. It is an arduous task and not a glamorous or thrilling one—but would any Member prefer it if we just left bombs sitting on the beach and hoped for the best, or drew down on limited rural police resources instead?

I am not showing up just to complain at the Minister; I have a lot of time for him. Without having explored other avenues first, I too have spoken to the chief exec of the MCA, as have colleagues, and I do not feel reassured by what I heard. I asked the Minister's boss, the Secretary of State, for answers when she came before the Transport Committee last week, and I was equally not reassured. It is worrying when those at the highest level behind such a decision simply cannot provide adequate answers or reasons that make someone like me, who lives in and represents a coastal community, truly believe that the future of our service is as safe as it needs to be.

I have some asks for the Minister and I hope he can oblige. From my discussions with coastguards, I understand that two questionnaires or surveys were put before them around the time of the court case on potential changes in remuneration. Can he place copies of them both in the Library of the House, along with the summarised results? The MCA has relied on legal opinions for its claim that the court decision means it has no choice but to take this approach. Will he publish those also? The Government say that there will be a transition period to assess the changes. Could they assess the changes before launching into that period? Otherwise, it feels rather like a fait accompli for those volunteers.

The plans seem half-baked at best and penny-pinching at worst. The coastguard is a vital emergency service that the Government seem to think is not worth investing in, and that is wrong. In my community, most people are more likely to call on a coastguard than a copper, but the Government would be seen as barmy if they suggested any pay for police by their mileage. I have seen some poor choices from the Government in my couple of years here, but this one has made me the most worried.

I truly think that the MCA and the Government have not realised what they are doing. They have heard some legal advice and listened to some Treasury bean counters, and decided that our service cannot be supported. As they have heard today, that is just not good enough. There is time left in the Prime Minister's reign for one more U-turn; I urge the Government to make it this one.

3.32 pm

Greg Smith (Mid Buckinghamshire) (Con): It is, as always, a pleasure to serve under your chairmanship, Sir Alec. I congratulate the right hon. Member for Orkney and Shetland (Mr Carmichael) on securing today's debate—quite a feat, given that the Department for Transport was not meant to be answering Westminster Hall debates this week. He managed to secure a debate on an issue that has caused serious concerns not just for our coastal areas across the United Kingdom, but for all of us; I speak as a Member of Parliament representing a seat about as far away from the sea as it is possible to get within England.

The changes to the remuneration of coastguard volunteers have raised fundamental questions about the future of the service, as we have heard clearly from across the House today. I thank my colleagues who have attended the debate to set out those concerns and the scale of the challenges facing the coastguard. Those colleagues included my hon. Friend the Member for Isle of Wight East (Joe Robertson), who has had to go to run the drop-in event. I welcome his informative comments

[Greg Smith]

on the process in the main Chamber, given his constituent's role in the legal case and the need to get the response to the legal decision right.

The question of how the coastguard operates truly matters. Protecting our coastlines from harm is essential, and the coastguard has played a central role in that over centuries. We must preserve the lives of those who are in danger and support our coastal towns and cities, where upholding safety is a priority. That brings us to the issue underpinning the debate: what happens if we no longer have those volunteers? We know that the 3,000 volunteer staff play a considerable role in protecting the public; it is integral that they remain part of the service.

For as long as the coastguard has existed, there have been questions of remuneration. For example, in 1831, the Admiralty published new regulations as part of a plan for the coastguard to become a reserve for the Royal Navy. It included payments and allowances—a salary of £10 for a chief boatman and £5 for a commissioned boatman. As volunteer servicemen entered the system, the Government provided support to the coastguard and to volunteer lifesaving organisations across the UK. More recently, the 1990s saw the Department conduct internal reviews of the role that auxiliaries should play in the service compared with those working full time.

The relationship between the state and the coastguard has changed throughout the years along with the evolution of its structure, but there has been a principle of ensuring that people can volunteer, while maintaining incentives so that the coastguard is able to operate effectively. Worryingly, the decision that was accepted by the Government, stemming from the court case, completely alters the relationship that has been put in place.

Sir Alec Shelbrooke (in the Chair): Order. I am about to suspend the sitting due to Divisions in the House. I will aim to come back earlier than 10 minutes after the last Division starts. If the Liberal Democrat spokesman, the shadow Minister, the Minister and the right hon. Member for Orkney and Shetland are here, we will start as quickly as we can, but it will be no later than 10 minutes after the last Division. I remind Members that if they have spoken, they need to come back to the Chamber. If I start slightly earlier, I will give some leeway, but I expect everybody who has spoken to be back in the Chamber 10 minutes after the start of the last Division.

3.35 pm

Sitting suspended for Divisions in the House.

4.8 pm

On resuming—

Greg Smith: Back from the Division break, we can think about the possible impact of the court judgment and the Government's decision. I put it to the House that it is crazy that the Government have made this decision affecting our brave coastguard rescue officers. We face the prospect later this year of huge numbers of our coastguard personnel leaving because the Government have failed them.

I appreciate that the Minister has reiterated in multiple written answers that this was not a decision that the Government wanted to take. It was taken after a

recommendation from the MCA; after engagement through the MCA with the coastguard rescue service—although on the basis of speeches earlier in the debate we can question the veracity of that—over previous months on the implications for the service; and after further conversations with area management teams, senior leadership visits and national representative forums, as well as two all-member surveys, which played a direct part in understanding the impact of the models upon the service.

It is important to reflect on those remarks, because while they show on the face of it that steps were taken, I am unsure of the level of consideration they demonstrate. The Government seem to have sought to understand the models but reverted to the simplest option. There needs to be a comprehensive explanation of the thought processes within the Department. Let us consider the action stemming from the legal decision. What steps were taken to establish a path forward? Can the Minister explain how much time the Government took to analyse the legal decision and whether other bespoke approaches would have been more appropriate?

I acknowledge that the Minister has said that the suggestion came from the MCA and the Government accepted it. However, the MCA's annual report for 2024-25 highlighted a lack of legal resources within the organisation. To quote one of the priority concerns listed in the annual report, the MCA said that there is a "lack of lawyer resources to implement legislative change – the ability to bring about legislative change hinges on the availability of scarce lawyer resource. The Agency continues to work with the Department for Transport Legal Team to ensure that it can access necessary resource. Progress is being made but the risk remains current."

I hope that the Minister can clarify whether that remains the case, because the issue of remuneration and volunteer status is clearly a legal matter that could have consequences for legislation. If the MCA was considering the issue with the Department for Transport legal team, is it right to frame this as a decision merely stemming from the MCA? What legal resources were provided by the Department, and what work did its officials undertake to consider alternative options? I hope that the proposal did not merely stem from the Department's own legal team.

Furthermore, the Minister's previous responses referenced the discussions he has had with senior leadership and the surveys that were conducted. But for such a consequential decision, unless I have missed something, the Government have failed to publish significant analysis of the decision's impact on volunteer numbers. From the outside, the Government seem to have chosen not to fully explain the scope of the options available to them and their full reasoning. That exacerbates worries among hard-working volunteers across the country who know about their loss of pay but get the sense that there is a lack of explanation. That is reflected in the comments of the anonymous volunteer who told the BBC that they thought the choice would "damage morale and weaken the service".

I say all this recognising that there is no simple option for the Government, but we cannot ignore the fact that they have taken a decision with possibly serious consequences for an institution with over 200 years of history. Given the reports about the impact of the change, I ask the Minister whether there is anything that can be done to delay it while the Government sort out the mess that many volunteers have identified.

Meanwhile, the Government have known the outcome of the case since January. The judgment on this area of law consisted of just 14 pages; since then, we have not seen anything as detailed from the Government. They should have anticipated the decision from the court, and we believe that they need to put together a solution that does not cause droves of people to leave our coastguard service. The current allowances should not be abolished before that is resolved.

Across the House, it feels like it has been lost on the Government that they have significant powers available to them and they should use those powers to achieve the best outcome for the British people. In this case, that should mean maintaining the existing system until they are confident that they have found a positive way forward that actually works for the safety of our coastlines and the future of our coastguard.

4.13 pm

The Parliamentary Under-Secretary of State for Transport (Keir Mather): It is a pleasure to serve under your chairship, Sir Alec. I am beyond grateful to the right hon. Member for Orkney and Shetland (Mr Carmichael) for bringing this debate to the Chamber; I am sure you agree, Sir Alec, that it has been a useful one informed by honest exchanges. I want to be clear with hon. Members and with the CROs who I know will be watching the debate about how we got to this moment and what happens next.

For those observing the debate who might be wondering exactly who we have been talking about, let me briefly explain who coastguard rescue officers are. Put simply, they are the people who are there when we need them most. They are the modern face of a volunteering tradition that goes back to the early 20th century. CROs could rescue us or our loved ones if we are trapped in rising water. They rescue people trapped on cliffs, stuck in mud or struggling in our seas. They also manage helicopter landing sites and assist the police in searching for missing people. They persevere through some of the most traumatic experiences imaginable, recovering people who it has not been possible to save in order to afford them proper dignity and respect. In short, they are some of the most selfless people in our country, and I personally thank them all for their service.

Mr Carmichael: I am grateful to the Minister for his recognition; I am sure that his words will have been heard and appreciated. Some 17% of CROs are now members of the GMB. The threshold for voluntary recognition by the agency would be 10%. As a Labour Minister, does he agree with me, a Liberal Democrat, that this would be a good moment for the MCA to recognise the GMB as a union for CROs?

Keir Mather: I thank the right hon. Member for his contribution and for the points he made earlier, which I will address. I am pleased to say that I have met the GMB and spoken to it about the increase in its membership resulting from this decision, and I am happy to work with it on an ongoing basis. The right hon. Member's suggestion speaks to a recognition of worker status. I will identify later what I believe are some drawbacks of that approach, but he is welcome to intervene again at that point to address anything else.

I want to address some of the specific points that have been made. First, let me pick up on what the right hon. Member said about not being allowed to meet in his coastguard centre, which I find very concerning. That was echoed in a couple of comments by hon. Members across the Chamber, and I would be grateful if they could share those instances with me so that I can form a fuller picture of those experiences when they occur.

The right hon. Member spoke specifically about the impact on his rural and island constituency—a point that was made eloquently by many Members of Parliament who represent Scottish constituencies. A CRO in this country volunteers an average of three and a half hours a month, but many will volunteer 35 hours a month, especially in rural or island constituencies where they have to respond to the frequent call-outs that the right hon. Member described. I am very cognisant of that disparity, but also of the differences in experience that underpin how CROs are approaching this matter.

The right hon. Member raised serious points about consultation and engagement from the MCA. We take complaints incredibly seriously and have well-established processes and policies in place to review and investigate concerns. He mentioned sharing some anonymous testimony with me, and I would be grateful if he did so.

My hon. Friend the Member for Llanelli (Dame Nia Griffith) mentioned death in service and injury benefit. The CRS injury benefit compensation scheme is for volunteers. It provides and, importantly, will continue to provide compensation for loss of earnings where a volunteer member of the CRS is injured or develops an illness or disease as a result of an authorised duty. That includes provision for compensation for dependants in the event of death. I am glad that my hon. Friend has allowed me to put that point on the record.

My hon. Friend the Member for Truro and Falmouth (Jayne Kirkham) asked a specific question about HMRC disturbance allowances. I am happy to take that away and write to her on the specifics. My hon. Friend the Member for South East Cornwall (Anna Gelderd) is right to point to the fact that, although CROs work on a volunteer operating model, these are people responding to emergency situations who wear the badge of a Government agency and do phenomenal work, and they should be perceived as such. In that sense, she is right to say that it does not do justice to the scale of their contribution.

A number of points were made about how the retained firefighter model could map on to CRO status. The work of retained firefighters has a number of characteristics that might cause severe complications for CROs were the model to be mapped across, which hon. Members should be cognisant of. Retained fire service people are employees; it is important to bear in mind that they have contractual limitations, such as to live a certain distance from the station. They also have to respond within five to seven minutes, depending on the station, to an emergency. That would create very a different system around mutuality of obligation for the CRS. Those are important considerations to bear in mind.

The right hon. Member for Orkney and Shetland asked specifically what engagements have taken place, so I will list them for him. I know that there has been a debate about whether the engagement goes far enough, and about the character of the consultation, but for the benefit of the record, there have been two town halls, a

[*Keir Mather*]

virtual meeting, a recorded video and five updates on CRS online, alongside a pattern of regular engagement on other issues such as equipment assurance, training, exercising and post-incident follow-up.

Another important issue that was raised is the modelling of the potential impacts. An impact assessment combined incident demand, CRS survey data, demographic and employment information, and financial analysis to identify where potential reductions in CRO availability are most likely to occur.

Jim Shannon: I know that the Minister is responsive to our requests, so will he take the time to speak to the regions, particularly Northern Ireland? We have the same issues, but we sometimes feel at a distance.

Keir Mather: The hon. Gentleman raises an important point about CROs across the United Kingdom feeling that their voice is heard. I will take that point away and ensure that it informs my engagement going forward, but, for the benefit of the House, I want to speak a little more about the modelling of potential impacts.

The risk assessment also focused on which workforce groups may be most affected and where any resulting loss of capacity would pose the greatest risk to operational resource and service delivery. The individual circumstances of CROs are diverse, and it would not be possible to model all the possible ways that 3,000 people could respond to the changes. Since the announcement was made, 29 CROs have left the service. Three of them stated that they did so because of the change, although that is not to say that others did not do so, nor that they have not reported it—I would not want to argue that. I hope that that information is useful.

The hon. Member for Bridgwater (Sir Ashley Fox) and others made broader points about operational resilience. I reassure them that His Majesty's Coastguard has contingency plans and measures in place and continues to draw on the full UK search and rescue system, including aviation assets, the RNLI and independent lifeboats.

Turning back to the situation we face today, as many Members will know, on 14 January the Court of Appeal handed down a judgment that changed the status of CROs. For many years, the MCA provided the option of hourly remuneration to recognise the impact of such important work. I note that such an arrangement was not, and is not, typical for the voluntary sector. Although not all CROs chose to claim that remuneration, because the MCA had provided regular payments to CROs following call outs and because the remuneration was beyond reimbursement for their expenses, the court deemed them to be workers under the Employment Rights Act 1996.

That judgment has fundamentally changed the nature of the role of CROs. Those who had signed up on the basis that they were volunteers and could be a CRO alongside their primary employment are now suddenly classed as workers, meaning that they could be subject to liabilities and responsibilities that they did not sign up for. To be clear on what the change could mean, worker designation could push CROs into new tax brackets or put them in breach of primary employment contracts, if they are not allowed to undertake other

paid work. We have worked hard and expressly to avoid those threats to people continuing to work as CROs. The judgment clarified the law, which must now be upheld.

Brendan O'Hara: As the Minister knows, the changes of duty will come into place in September. He will be aware of the feelings of Members across this House and their opposition to the changes. The Department for Transport has the power to suspend the change; it does not have to take place. Will the Minister take the opportunity to suspend the change to allow meaningful negotiations to take place, rather than bulldozing the change through?

Keir Mather: I am committed to continuing to engage with CROs, trade unions and Members of Parliament on that important issue. The risks I just outlined around worker status exist now and it is important to consider that ahead of any implementation date, irrespective of whether that is in September, later in the year or at some other point. I will come back to the specific point about timing at the end of my remarks.

If we believe that CROs should retain the right to remain as volunteers, the existing model of remuneration cannot legally stay the same. I reassure Members that my officials and I have worked tirelessly but, regrettably, at this stage we have been unable to identify any legally robust option to continue payments beyond out-of-pocket expenses. Any alternative would carry a high likelihood of further legal challenge and could still be judged to be creating a wage/work bargain. Any carve-out would require new and complex primary legislation that would take far longer to implement than the immediate action that the judgment demands. I sincerely wish there were, but there is no simple solution to this situation.

Steff Aquarone: Might I gently suggest that it would be easier for colleagues to understand the Government's conclusions on this advice if we were able to see it? Would the Minister consider placing a copy in the House of Commons Library, along with the two surveys that I believe were undertaken?

Keir Mather: I have heard the hon. Gentleman's point. I will have a conversation with my officials about what is appropriate to share with MPs, who I know are doing their level best to represent their constituents in this difficult matter.

Andrew George: All the Minister's points apply to retained firefighters. He cannot say that we cannot appropriately transpose that framework agreement between the MCA and CROs simply because they have to be called out within five to seven minutes. Those kinds of details can be altered simply by using the framework. If it is possible in the case of retained firefighters, there is no reason why it cannot be transposed to the CROs.

Keir Mather: Those considerations and how they would affect the lives of CROs are not immaterial, although I know that the hon. Gentleman is not saying they are. It is my understanding, although I am happy to be corrected if this is not the case, that to transpose that relevant scheme into a wholly different part of the voluntary sector would have primary legislative implications. We would need to work through them; it could not be done simply by wishing to do it.

I have set out why the MCA was compelled to accept the court's judgment. Having done so, it needed to take immediate action to comply. Based on operational judgments and the desire to continue to preserve the important volunteer model, the recommendation was to move to a pure volunteer system that paid expenses, so that CROs did not have to choose between being a CRO and their primary employment. That was never a perfect decision, but to do nothing was not an option. As that decision has been communicated to CROs, it is only natural too that it would not and could not be a perfect fit for all who serve, which has been powerfully articulated today.

In the time since the decision was made, I have listened to and reflected on the points made by colleagues, including during this debate. I understand the very real concerns that have been raised about the potential impact of this change on the operational capacity of the coastguard rescue service. I hope that I have gone some way to addressing those concerns, but it is important to recognise that the alternative—moving to a worker model—would require a fundamentally different model and would likely lead to CROs having to leave the service, which would not in itself necessarily guarantee response capacity.

Liz Saville Roberts: Will the Minister give way?

Keir Mather: I am afraid that I will not take any more interventions; I have to get through my remarks.

Liz Saville Roberts: It is about impact assessments.

Keir Mather: I have given way plenty of times.

This is a complex challenge that we must all work through together. We do not want employers to be unable to continue to support their employees to volunteer. We do not want to see CROs tangled in a mire of employment obligations that make the choice of going to a rescue a difficult one. We all understand that the court judgment changed the legal status of CROs, and that treating people who signed up to be volunteers as workers does not necessarily solve the problems they face, and in fact could create many new ones, but we also all recognise the tremendous contributions of these volunteers. We have heard powerful testimonies about the sacrifices that they make day in, day out.

I thank the right hon. Member for Orkney and Shetland for allowing these issues to be so comprehensively discussed, and fellow Members for their excellent points. I assure them that the debate has resonated strongly with me. I will reflect on what has been raised and I will consider in the long term how our coastguard volunteers can be recognised. I have heard the deep concerns of the CRO community, and I want to carry on working with

them, trade unions and colleagues across the House in the future to work through these issues. I thank everybody for their contributions today.

4.29 pm

Mr Carmichael: Apologies for de-knighting you earlier, Sir Alec. I thank all hon. Members who took part in the debate and recognise in particular the contribution from the hon. Member for Arbroath and Broughty Ferry (Lara Bird). We welcome her to the community of Westminster Hall.

I did not remember to count early enough, but I think that we had at least 32 Members of Parliament in this Chamber at the start. In addition, I had indications from the hon. Member for Na h-Eileanan an Iar (Torcuil Crichton), my hon. Friend the Member for South Devon (Caroline Voaden) and the hon. Members for Scarborough and Whitby (Alison Hume) and for Gower (Tonia Antoniazzi) that they would have been here also.

Sir Alec Shelbrooke (in the Chair): Order. Mr Carmichael, you have been a Member of this House an exceptionally long time. You know that you are not allowed to wear clothing with slogans on it. Please fasten your jacket.

Mr Carmichael: I am bereft, Sir Alec. I do hope that nobody goes back and looks at the footage of me when I was inadvertently leaving my jacket open in that manner.

As I was saying, a number of other Members wanted to be here. I listened to the Minister. He is telling me—telling us all, in fact—that the problem is the law, and I am thinking to myself, “My goodness, if only there were something that the Government could do about the law.”

I do not honestly know what the answer is—I am not without sympathy for the position in which the Minister finds himself—but I do know what it is not. It is not to take away the terms and conditions that people have served under up until now and to treat them with the utter disregard that the chief executive and the senior management of the MCA are displaying. I again suggest to the Minister that we need to pause this, work it again, properly, talk to the CROs in a respectful and engaging manner, and then come back with something that focuses not on the process argument that we have heard and that we understand, but on the outcomes, because the outcomes for our communities, if we do not get this right, will be catastrophic and I do not want that to be happening on my watch.

Question put and agreed to.

Resolved,

That this House has considered HMRC guidance and remuneration of coastguard volunteers.

Early Years Funding: Hampshire

4.33 pm

Sir Alec Shelbrooke (in the Chair): Alex Brewer will move the motion, and then the Minister will respond. I remind other hon. Members that they may make a speech only with prior permission from the Member in charge of the debate and from the Minister. As is the convention in 30-minute debates, there will not be an opportunity for the Member in charge to wind up.

Alex Brewer (North East Hampshire) (LD): I beg to move,

That this House has considered the adequacy of early years funding in Hampshire.

It is an honour to serve with you in the Chair, Sir Alec. A Hampshire nursery manager recently told me:

“Sometimes the funding arrives so late that we are genuinely worried about making wages.”

That sentence has stayed with me, because it captures something that the national conversation about “free childcare” too often misses. The question is not simply whether Hampshire has enough childcare places on paper. It is also whether every family can access suitable, affordable and high-quality early education and childcare when they actually need it and whether providers have the funding and workforce to deliver that sustainably. Those are two very different questions, and today I want to address them both.

Let us be clear about the scale of the pressure that the sector is under. Providers are being hammered by rising costs: increased employer national insurance contributions, rising energy costs just to keep the lights on, business rates and more. One nursery provider in my constituency of North East Hampshire told me that their liability insurance had risen by 19% this year alone, and that was on top of a 59% jump in business rates.

Department for Education analysis published in May found that on average providers took in just £1.01 for every £1 that they spent in 2025, and nearly half of providers reported income that fell short of covering their costs. I am aware that one nursery in my constituency is required to subsidise the Government’s funded offer by more than £51,000 in this academic year alone. It cannot be right that a sector that is already operating on wafer-thin margins is left to absorb more and more tax rises.

Jim Shannon (Strangford) (DUP): I commend the hon. Lady for bringing this matter forward. She is right to highlight the funding shortfall, which is present across the whole United Kingdom of Great Britain and Northern Ireland. It is forcing nurseries to close, driving up childcare costs and stopping parents returning to the workforce. Does she agree that the Government need to make this issue a priority in education to ensure that children are educated and parents can cope with the pressures that they are under?

Alex Brewer: Yes, I absolutely agree; that is a precise summary of the current position. When we think of early years, most of us automatically think of nurseries, but in many areas of the country, and especially North East Hampshire, many families rely on local childminders. Earlier this month, a constituent of mine, Lorna, told me that after almost 26 years of running her childminding

business, she must close it because of mounting financial pressures. She has loved the job, but the lack of any promise of a better financial future has left her with no choice.

Every ambition that we hold for this system—more places, better outcomes and proper support for children with additional needs—depends on a stable, skilled and well-supported workforce. Parents do not use the language of workforce policy, but they feel its consequences all the same, including in high staff turnover, longer waiting lists, reduced flexibility and the particular difficulty of finding a place for a child with additional needs.

A Hampshire nursery manager put the underlying cause to me plainly: rising costs have not come with a matched uplift in the funding rate. Staffing alone accounts for three quarters of costs in the early years sector. That leaves early years settings particularly exposed to sudden changes, such as the increase in employer national insurance contributions. Providers cannot compete for the experienced senior staff necessary to deliver high-quality support, and high staff turnover leads to higher training costs.

Every parent stuck on a waiting list is living with the downstream consequence of a workforce crisis that starts with underfunding, and Hampshire reflects many of the challenges in microcosm. It is a large county, spanning urban, rural and coastal communities. Hampshire county council’s childcare sufficiency assessment points to the same challenges: expanding supply to meet the extended 30-hour entitlement; tackling recruitment and retention; and ensuring that rising demand does not squeeze out children with special educational needs or from disadvantaged backgrounds—the very children who stand to gain the most from a good-quality early years setting.

Free childcare makes for a great headline, but it has to be deliverable. As of September 2025, the county council projected that Hampshire would need an additional 2,100 childcare places in wards where supply is already limited just to meet the promise of 30 hours a week. This promise is not all it is made out to be. The figure of 30 hours is based on term-time care only, so for those parents who work full-time, that is spread out over 52 weeks, not 38. The rate for three and four-year-olds that is paid to settings is lower than the cost to provide the service, so those paying for additional hours are, in effect, subsidising the free provision. For those families who are barely getting by, with high living costs and stagnant wages for their own work, it is often more expensive for both parents to work. That is not good for our economy.

As with any business, cash flow is key, and providers across my North East Hampshire constituency tell me that they are paid in arrears, with funding for a month’s care landing in the last three days of that same month, compared with other counties that pay before the month even starts. So Hampshire nurseries are covering an entire month of wages, rent and bills with private fees. When that is combined with low or no profit margins, it sets the scene for instability and uncertainty. Young children, working parents and childcare providers all need stability in the sector to thrive, but the circumstances are far from ideal for that.

Nowhere is the funding gap starker than for children with special educational needs and disabilities. Before entering this House, I served as a school governor and

ran a charity supporting children and young adults with Down's syndrome and their families, so this is an issue I have seen up close from both sides of the school gate. Providers tell me that the pathway to secure support is long and difficult to navigate. By the time a child is identified, their needs are often already very high.

What funding does arrive frequently pays for only an enhanced ratio, which is no substitute for the one-to-one specialist care that many children need, and staff often lack the specialist training required. Indeed, in my previous line of work, it was the charity that stepped in to provide the training—a service with the uncertainty of being funded solely through donations and simply not available everywhere in the country. A child's future should not be a postcode lottery.

Investing in our future generations is the best investment we can make, for them, for families and for society. That is why Liberal Democrats are calling for early years providers to be exempted from the rise in employer national insurance contributions. Hampshire's early years providers are not asking for handouts; they are asking for the funding that was promised to arrive, to be enough and to be on time. A place on a spreadsheet is not the same as a place a family can use. A free hour that no provider can afford to deliver is not free at all. Our children's futures, and those caring for them, deserve nothing less.

4.41 pm

The Parliamentary Under-Secretary of State for Education (Olivia Bailey): It is an honour to serve under your chairship, Sir Alec. I thank the hon. Member for North East Hampshire (Alex Brewer) for securing this important debate, and all hon. Members who are present. I will start by also thanking all the wonderful staff who work in early years settings in her constituency and across Hampshire. They do a brilliant job and give all our children the best possible start in life. They deserve all our thanks and recognition.

The hon. Lady made a number of fair points that I will address in my speech, but I will say at the outset that for the first time in a long time this Government have prioritised the early years. We have put record investment into the early years, with £9.5 billion next year. We have stretching targets to ensure that record proportions of children are ready for school. We are opening Best Start family hubs across the country and network sites, encouraging integration between our local services and early education providers. Through our best start in life strategy, we are determined to have the back of providers, ensuring that the workforce is brilliantly supported to continue doing such a fantastic job for our children and young people. It was important to start my remarks by situating us in that important context.

I will move on to my substantive speech and address the points that the hon. Lady raised. The Labour Government have delivered a record expansion of free childcare, halving childcare costs for families, boosting family finances and improving children's life chances, driving towards record proportions of children being ready for school. Not only are we saving working parents thousands of pounds, but we are giving every child excellent early education, which they will need to thrive later.

Matt Rodda (Reading Central) (Lab): My hon. Friend is making an excellent point. Does she agree that there is genuine excitement and joy from families when they see the benefits of this investment? She and I have both witnessed that in our community in Reading. The Government are building on a great tradition in that local authority; I wish other local authorities invested to that extent.

Olivia Bailey: I thank my hon. Friend and constituency neighbour for giving me the opportunity to thank the fantastic early years staff in my constituency of Reading West and Mid Berkshire and across Reading, who do a brilliant job for our children. As a constituency MP, as well as a Minister, I know that giving every child the best possible start in life is so important for their future life chances. If we get it right in the early years, it makes a transformational difference as they grow older.

The work we are doing is thanks to our brilliant early education sector, which has worked tirelessly to deliver the large expansion of childcare, making it such a success. We have a responsibility to ensure that the sector is financially sustainable to deliver the entitlements and high-quality early years provision. That is why we are investing record amounts in early education and why, through our proposals, we have the back of the sector. In 2026-27, we expect to provide over £9.5 billion for the early years entitlements, more than doubling annual public investment in the early years compared with 2023-24. We are investing over £1 billion more than last year to deliver a full year of expanded entitlements and an above-inflation increase to entitlements funding rates.

The national average funding rate increases continue to reflect the forecast cost pressures on the sector, including the national living wage, and they take into account the wider workforce pressures felt by the sector that the hon. Member for North East Hampshire mentioned. On average nationally, we have increased the three and four-year-old hourly funding rate by 4.95%, the two-year-old hourly funding rate by 4.36% and the funding rate for the nine months to two-year-old entitlement by 4.28%. That investment, alongside the hard work and dedication of countless colleagues in the sector, means that working families are saving an average of £8,000 a year.

There has also been a benefit in Hampshire from those rate increases. The rates set for Hampshire have seen increases of 3.6% for three to four-year-olds, 2.9% for two-year-olds and 2.8% for under-twos. That means that Government-paid rates for Hampshire are £6.38 for three to four-year-olds, £8.73 for two-year-olds and £11.81 for under-twos. That compares relatively favourably with average rates, which are marginally above those figures. This demonstrates, I think, our commitment to properly funding our early years settings to continue to deliver on this vital mission.

Hourly rates vary between local authorities, reflecting the relative needs of the children and the different costs of delivering provision across the country. Those rates are calculated using the early years national funding formula, which is used to target funding to local authorities where it is needed most. We believe that that approach is fair, efficient and transparent. Of course, we keep funding rates under review, and I assure the hon. Member that the team will have listened carefully to her points

[*Olivia Bailey*]

today. She may also be interested to know that, as we committed in the best start in life strategy, we plan to review early years funding and consult on changes to how we distribute that funding. I would welcome her contribution to that review. The consultation will begin imminently, and I ask her and everybody here today to encourage their constituents to feed into it.

We are also investing to help children from disadvantaged backgrounds and with additional needs to ensure that every child, no matter their circumstances, has the best start in life. On top of the largest ever uplift to the early years pupil premium in 2025-26, this year we increased early years pupil premium rates by 15%, equivalent to up to £655 per eligible child per year. We also expect to spend over £90 million on maintained nursery school supplementary funding in 2026-27. The best start in life strategy sets out our plan to boost uptake of the 15-hour entitlements to two, three and four-year-olds by working with local authorities and family hubs and tracking data through the local outcomes framework.

The hon. Member for North East Hampshire mentioned the vital issue of SEND. To support children with SEND, a further £47 million is being provided in 2026-27 to support greater inclusion of children with special educational needs and disabilities as part of our three-year £1.6 billion inclusive mainstream fund. That is on top of mandatory SEN inclusion funds, through which providers can access support for children with early and emerging needs in their settings. Through the disability access fund, eligible children can also receive £975 per child per year to support reasonable adjustments.

Early years settings will also benefit from a dedicated early years offer within a £200 million national training package and access to specialist advice from health and education professionals through Experts at Hand. I assure the hon. Member that we are working tirelessly on this vital issue to ensure that every child with additional needs gets the help and support they need.

The hon. Lady also talked about the vital importance of the workforce. We know that we must invest in the workforce to ensure the best possible future for the early education system in this country. That is one reason why, earlier this month, we launched a £4,500 payment to attract and retain qualified nursery teachers in the communities that need them most, starting in 10 areas and expanding to 30 later this year. The scheme will boost outcomes for children and allow more families to access their funded childcare entitlement. Alongside

that, we committed in the BSIL strategy to continue supporting the sector to grow and professionalise, and I assure Members that work on that is continuing at pace.

Our record expansion of childcare means that the Government now fund around 80% of childcare hours in the country, which is a remarkable figure. In effect, it means that we have created a new public service, and we must ensure that that public service is working for providers, parents and children. We announced at the autumn Budget 2025 that the Department is leading a review of early education and childcare support, provided by different parts of the Government. Our review will set out a new vision for the early education and care system—one that builds children's life chances and supports parents' work choices, and one that is simpler and easier to use for both providers and parents, improving access and the impact of the Government's investment in children and families.

I look forward to engaging with colleagues from across the House as we make progress on that review. I also look forward to engaging widely with the sector, which is wonderfully diverse. It is important for me to say at the Dispatch Box how much we value the many private and voluntary nurseries that are operating at a brilliant level to provide such a great service for our children and young people. They will be at the heart of the review and of any future system.

I conclude by thanking all Members for their thoughtful contributions. It is clear that we share a common goal to ensure that every child has the best possible start in life and that every family can access high-quality, affordable and flexible childcare. Despite our record funding, I recognise the challenges faced by some in the sector, particularly the costs that providers face and funding distribution. That is why we are continuing to work closely with them to refine our funding approach through consultation and to always make sure that we are listening, so I am grateful to the hon. Member for North East Hampshire. Through our consultation and review, we can ensure that our early education system fulfils the ambition that we all have for it. This is about more than childcare; it is about opportunity and life chances. I remain confident that, working together, we can deliver a system that truly meets the needs of every child and every family.

Question put and agreed to.

4.52 pm

Sitting suspended.

Fishing Industry: Government Support

[Relevant document: Seventh Report of the Environment, Food and Rural Affairs Committee of Session 2024-2026, Resetting the relationship with fishing communities, HC 680.]

5.3 pm

Seamus Logan (Aberdeenshire North and Moray East) (SNP): I beg to move,

That this House has considered Government support for the fishing industry.

It is always a pleasure to serve under you, Sir Alec. The rich fishing and coastal heritage of my constituency of Aberdeenshire North and Moray East is second to none. My constituency is home to Europe's largest whitefish port at Peterhead and Europe's largest shellfish port at Fraserburgh—the largest is not Bridlington, as some people claim. My constituency's corner of the north-east of Scotland is a key part of our nation's fishing industry, and a significant part of the industry in these islands.

That is why I was so keen to invite the Minister's colleague—the former Minister of State at the Department for Environment, Food and Rural Affairs, the hon. Member for Wallasey (Dame Angela Eagle)—to Scotland and to extend that invitation to my constituency. I hope that you, too, can accept that invitation when your diary allows, so you can then see this historic industry with your own eyes and meet the experts who nurture and maintain it against myriad challenges during these volatile geopolitical and economic times. I hope, too, that such a visit will be valuable in understanding why there is such disappointment and anger at how the fishing and coastal growth fund has been allocated in Scotland, which has less than 8% of it—£28 million out of a £360 million pot.

Let us put things into perspective. The Scottish fishing sector represents over 60% of the UK's total fishing capacity, contributes over 60% of the UK's seafood exports and lands more than 75% of all UK quota species. If the right hon. Member for Makerfield (Andy Burnham), otherwise known as the presumptive Prime Minister, is really serious about the devolution of power and decision making, seeing growth in every postcode and putting hope in every heart, let him look at this issue. Let him listen to Councillor Ann Bell, chair of the North East Scotland Fisheries Development Partnership, when she says:

"A fair allocation would, at minimum, be consistent with the 46% share Scotland previously received" from European Union funds.

Why is there still so much anger about all this in Scotland and in my constituency? Because this Westminster Government tried to blame the Scottish Government for the Barnettisation of the fund. So we submitted a freedom of information request asking the Scotland Office to show us where in its discussions that had been asked for. This is what we got—and I have six pages of this.

Sir Alec Shelbrooke (in the Chair): Order. I gently remind the hon. Member, first, that we do not use the word "you"—I am not responsible for any of this. You speak through the Chair so that we can maintain calmness in the Chamber. Secondly, you are not allowed to use aids and props. You may describe the aid or prop, but please do not hold it up as if it will be recognised.

Seamus Logan: Thank you for that clarification, Chair. I have six pages of almost entirely redacted correspondence, so it is clear that somebody does not want us to see these things.

In subsequent correspondence between the Scotland Office and the chair of the Scottish White Fish Producers Association, it is admitted that this was a Treasury decision in 2024, not a Scottish Government decision. It is admitted that the allocation in no way reflects the size and strength of the industry in the north-east of Scotland, but the Under-Secretary of State for Scotland says she is too busy to meet the chair of the SWFPA, Jimmy Buchan—too busy. Perhaps in the forthcoming reshuffle she might find herself less busy.

Adding insult to injury, allocating this paltry pocket money to Scotland over 12 years means that Scotland will receive only around £2.3 million per year in additional investment. To say that that falls short of what is needed is to put it mildly. If the UK Government had engaged fully with the industry in Scotland, as well as with the Scottish Government, they might have been made more aware of that. The Minister here today now has the opportunity to put this right.

Another expert in the industry, Mike Park, chief executive of the Scottish White Fish Producers Association, has also called the allocation unfair and indefensible. He adds:

"Scottish waters are bearing the brunt of the 12-year EU fisheries access extension",

which was negotiated by the UK Government, and that "the use of the population-based Barnett formula fails to reflect this reality...with communities left carrying the burden with only a fraction of the support they deserve."

This is not about tribal politics; nor it is about scoring points in this Chamber. This is about fairness and the lack of it in terms of support for our fishing industry in Scotland.

I was pleased to note the excellent Environment, Food and Rural Affairs Committee's report, "Resetting the relationship with fishing communities", which was critical of how the fund had been allocated and recommended that the UK Government should work collaboratively with the devolved Governments on the design and allocation of the fund to ensure consistency and fairness across the sector for the allocations in year 2.

In common with my colleagues on the all-party parliamentary group on fisheries, I look forward to the forthcoming sectoral action plan being co-ordinated by the former Minister of State at DEFRA, the hon. Member for Cambridge (Daniel Zeichner). I would like to add my own recommendation that the ideal way to ensure better engagement in Scotland would be to support reinstating the Scottish Seafood Industry Action Group, as suggested by former Scottish Government Fishing Minister Mairi Gougeon, something which the Scotland Office endorsed. Collaboration with those in this sector will be invaluable in resetting relationships and an opportunity to understand a further pressing problem on how one size most definitely does not fit all when it comes to fishing's labour shortages.

That brings me to the UK Government's reluctance to have a Scottish bespoke visa for our catching and processing sector. Fishing in the north-east is affected by major labour shortages. The knock-on impact to

[*Seamus Logan*]

growth and building a successful and prosperous future is very negative. I am currently in an unsatisfactory game of email ping-pong with the Department for Work and Pensions about its insistence that skilling up domestic labour is the answer to these shortages.

Let me share some reality with the DWP and the Home Office. The north-east fishing industry cannot get local people to apply for these posts or, when they do, to stay in post for more than one shift, despite strong financial and career incentives. The flip side is that international workers are commonly keener to stay the distance once they are trained up—a costly endeavour for already stretched businesses. This is not just a Scottish issue; just ask my colleagues from other parties. The hon. Member for Strangford (Jim Shannon) knows exactly what I am speaking about in relation to Northern Ireland.

On another front, Ian Gatt, the chief executive of the Scottish Pelagic Fishermen's Association points out that the ongoing situation with quota shares of mackerel between coastal states is yet to be resolved, despite efforts by UK and Scottish Governments to secure an agreement with the four coastal states. That is crucial, because mackerel is the most valuable to Scottish fisheries in terms of tonnage. The autumn negotiations are therefore crucial for Scotland.

All those issues point to the need for the UK Government to play a far more supportive role with the Scottish fishing industry. To do that, they need to listen to industry concerns, rebuild trust and boost economic growth, and they need to do so with policies that rise to the challenges outlined and that reflect solutions to the realities that they face. It is just not good enough to bypass the sector, override the Scottish Government and play funding games with invaluable investment. The time for a more positive reset is well past due.

The Scottish Government's support for our fishing industry is extensive. Since the launch of marine fund Scotland, £70 million has been awarded to almost 400 projects across Scotland, enabling total investment of £154 million—everything from supporting new entrants, the onboard observers programme, the promotion of Scottish seafood, safety training, covid-19 recovery funding for 855 vessels, emergency harbour repairs and much more. Targeted economic link measures have, for example, led to an additional £58 million-worth of mackerel and herring being landed in Scotland, helping to drive record landed values at Peterhead port. There is much more to be done, not least in terms of harbour renewal and expansion at Fraserburgh and Peterhead. Those are the kinds of capital projects that need co-operation between our two Governments in the interests of both Scotland and the UK.

I should be grateful if the Minister could address the following four questions, either in his closing remarks or in correspondence at a later date. First, can our fish processing industry colleagues be included in the energy-intensive industry scheme? The former Minister, the hon. Member for Wallasey (Dame Angela Eagle), was pressing hard on that point; I lobbied her strongly on it, and she understood. Secondly, does the Minister understand that the current Home Office approach to immigration is creating unintended consequences for our fishing industry, and will he lobby for a bespoke visa scheme that provides solutions, not problems?

Thirdly, can the Minister reassure the Scottish industry that the European Union will not use the forthcoming sanitary and phytosanitary agreement to place further burdens on our fishers, but will in fact reduce the burden, making it easier to export?

Douglas Lumsden (Aberdeen South) (Con): I completely agree that the funding settlement is inadequate and unfair for Scottish fishermen, but will the hon. Member confirm that the SNP policy is to rejoin the EU and then rejoin the hated common fisheries policy?

Seamus Logan: I have no brief to speak on behalf of the Scottish Government. Of course, our policy is very clear: we want to rejoin the European Union, because Brexit has been a disaster for the Scottish economy. However, I do not believe that we want any of the worst effects of the common fisheries policy.

Finally, can the Minister support the re-establishment of the Scottish seafood industry action group and actively investigate doing so?

5.14 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairship, Sir Alec. I especially thank the hon. Member for Aberdeenshire North and Moray East (Seamus Logan) for his opening of the debate. It is a real pleasure to work alongside him in addressing the issues of visas, quotas and many other things that he referred to. He and I have had separate meetings with the Immigration Minister, the hon. Member for Dover and Deal (Mike Tapp). The Minister today, the hon. Member for Portsmouth South (Stephen Morgan), may want to engage with him on the visa issue. I think we had quite positive meetings with the Immigration Minister about a way forward, and I thank him for that.

I will speak specifically on the Northern Ireland fishing sector. In 2024, it generated some £50 million in landing values, employed 445 people full time, and supported some 6,500 jobs ashore across Northern Ireland's rural and coastal communities. The impact of fishing in Northern Ireland is massive, as it is in the constituency of the hon. Member for Aberdeenshire North and Moray East and across all Scotland. Fishing is woven into the very fabric of Northern Ireland's identity—culturally rich, diverse and shaped by a maritime heritage that stretches back to the 14th century, when Northern Irish vessels supplied fish throughout Ireland, across the British Isles and into European markets.

The importance of the long-term survival of the Northern Ireland fishing industry cannot be overstated. Fishing is at the heart of the cultural identity of coastal communities. Without fishing, these communities lose their soul, identity and pride. I represent the village of Portavogie in Strangford. I do not represent directly the villages of Ardglass and Kilkeel, but they are represented by a Member who does not attend Parliament. On behalf of them, through the Anglo Northern Ireland Fish Producers Organisation, I represent all three ports.

The Northern Ireland fishing industry is facing an unsustainable decrease in the Irish sea's available fishing grounds through expanding offshore marine protected areas, proposed bans on bottom-towed gear, rapid offshore renewable development and new restrictions imposed by the Isle of Man authorities. The Northern Ireland fishing industry has lost nearly 9,000 km of fishing grounds in the Irish sea over the last couple of decades,

through a combination of marine protected areas, active and consented wind farm developments and other spatial restrictions. That is more than half the land area of Northern Ireland, and it is threatening the sustainability of the remaining fishing grounds through displacement of fishing effort into an ever-decreasing area.

The industry has two greatest spatial concerns. First, there is the ongoing Department of Agriculture, Environment and Rural Affairs consultation on management measures restricting bottom trawling in marine protected areas in the Northern Ireland offshore region, which strengthens a further loss of key fishing grounds for the nephrops fleet.

Secondly, there is the issue of UK skilled visas, which the hon. Member for Aberdeenshire North and Moray East referred to. The Northern Ireland offshore area is crucial to the fleet, particularly to those vessels with crew employed via the transit visa mechanism, who can only fish outside territorial waters. That refers specifically to the loss of access to the Isle of Man waters for all Northern Ireland vessels with any crew on transit or UK skilled worker visas.

I am very pleased to see the Minister. He always gives us helpful responses, and we will test him again today. I ask him again to engage with the hon. Member for Dover and Deal, who came up with some ideas that I think the industry is sympathetic to. As you will know, Sir Alec, life as an MP is about solutions. The hon. Member for Aberdeenshire North and Moray East and I believe that there is a solution, so we would be very keen to see the hon. Member for Dover and Deal's suggestions taken up as a way forward.

I urge the Government to support a balanced planning system that protects fishing and our fishermen as a legitimate food-producing industry vital for the UK's fishing industry. Access to Isle of Man waters for Northern Ireland vessels with any crew on transit or UK skilled worker visas has disadvantaged us greatly, so we are deeply concerned about that.

The Northern Ireland industry wants to work with the Home Office to co-design a visa system that is fit for purpose, that meets the needs of Government and industry and that delivers a sustainable seafood supply chain for the future. The hon. Member for Aberdeenshire North and Moray East and I, along with others in the Chamber today, wish to work with the Home Office to co-design a visa system that is fit for purpose. To do nothing puts at risk an industry that is at the heart of Northern Ireland's coastal communities, which provides jobs, delivers economic growth and is core to the cultural pride and identity of local fishing villages.

Oil prices have been a real bugbear for the sector back home. Although oil prices are now starting to come down, the increase in the cost of fuel has had a significant impact on the operating costs of fishing vessels and therefore on profitability. Before the Iranian war, fuel represented between 15% and 30% of operating costs. The price increases during the war meant that fuel prices rose to 50% of operating costs, which is quite unsustainable.

Fishing communities in Northern Ireland that have already faced decades of disruption now face a series of simultaneous pressures that threaten their long-term viability. Fishermen confronted with such changes are

left with profound uncertainties that exacerbate financial stress as well as mental health issues for them and their families.

Food security and economic security will depend on the ability to maintain a sustainable fishing industry in Northern Ireland. With the right foresight and with a committed cross-Government policy, we all believe that the industry can sustain itself, remain productive and remain, as it has been for centuries, the cornerstone of the communities that have long lived along our coast. If we ignore the concerns of the Northern Ireland fishing communities, our rich and irreplaceable heritage could be lost.

I know that the Minister will never ignore us, but we will make sure that he does not. I thank the hon. Member for Aberdeenshire North and Moray East for introducing the debate. I look forward to hearing from other Members, including the hon. Member for Arbroath and Broughty Ferry (Lara Bird), who has become quite a regular in Westminster Hall today. I congratulate her: it is a real pleasure to see that, having made her maiden speech yesterday, she has come to Westminster Hall twice today. I had better watch out.

Sir Alec Shelbrooke (in the Chair): Well, with an introduction like that, I call Lara Bird.

5.22 pm

Lara Bird (Arbroath and Broughty Ferry) (SNP): The hon. Member for Strangford (Jim Shannon) is a tough act to follow, as always. Thank you, Sir Alec, for chairing this debate; I thank my hon. Friend the Member for Aberdeenshire North and Moray East (Seamus Logan) for securing it.

Many Members across the House have spoken out in support of the fishing industry, particularly in Scotland—I know that because I followed the issue closely before I came to this House—but I must pay tribute specifically to my hon. Friend the Member for Aberdeenshire North and Moray East for being such a consistent champion and for ensuring that the difficulties and challenges that fishermen and women face in Scotland, in his constituency and mine, continue to be raised in this place.

My coastal constituency of Arbroath and Broughty Ferry has a proud fishing history, as do the constituencies of many Members in this Chamber. In its heyday, it was one of Scotland's busiest fishing ports, with 40 boats landing white fish and shellfish in the late 19th century. Overfishing led to fishing quotas, however, and from the 1970s that led to a steep decline. That has had an impact on the town of Arbroath: not just on the fishermen and women and their families, but deeper into the economy, the businesses and the surrounding industries that rely on fishermen and women. That is something that we are still really feeling today in Arbroath: the last boat to catch haddock or cod, which was once the town's prize catch, stopped sailing in 2013, so most of the famous Arbroath smokies are now made with haddock landed 90 miles north in Peterhead.

This is a theme that many of my constituents have raised with me—not just those who do the fishing themselves, but other businesses that rely on the fishers in Arbroath. As well as being a core fishing industry in Arbroath, we are also a deeply proud fish and chip community. The impact on that industry and the hospitality

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industry of the lack of UK Government support for the fishing industry is deeply felt in my constituency. In this debate, I want to briefly address that side of the impact on the fishing industry in Scotland, because we cannot separate the experiences of the fishing sector from the experiences of the hospitality sector. In my constituency, they are one and the same.

I feel compelled to say, in my second debate today, that I am proud that Arbroath has what I believe to be the best fish and chips in Scotland and therefore the world, but the experiences of my constituents who are trying to run viable businesses that rely on the fishing industry have been very challenging. Even in the past week since being elected to this place, I have had so many emails and letters from people in my constituency who rely on the fishing industry and who say that they are absolutely at a loss. They are so concerned about what was once a proud industry in Arbroath and its future, not least because of the lack of support that they feel is coming from this Labour Government.

Douglas Lumsden: I asked the hon. Member for Aberdeenshire North and Moray East (Seamus Logan) whether the SNP policy is still to rejoin the EU and rejoin the hated common fisheries policy. He failed to answer that question. Could the hon. Member for Arbroath and Broughty Ferry (Lara Bird) try to answer it?

Lara Bird: As the hon. Member is undoubtedly aware, my hon. Friend the Member for Aberdeenshire North and Moray East is not able to speak on behalf of the Scottish Government, and neither am I. But the hon. Member will be aware that our policy is very much to rejoin the EU, and that rejoining the EU will mean support for the fishing industry that is currently unavailable because of the Conservatives' policy of pulling out of it. One thing my constituents have raised to me is that they face challenges with exports and support for their industry that would not be felt if it were not for the damaging consequences of Brexit. I am sure that it comes as no surprise to the hon. Member to hear me say that.

I will continue by explaining the recent experience of one of the businesses in my constituency. The Bellrock is famous for its fish, not just in Arbroath and Broughty Ferry but across Scotland: folk come from all over to experience its fish suppers. The fish it uses used to be caught just off the coast of Arbroath, but the owner of the Bellrock told me recently that the price of the fresh fish they buy has increased by over 30%. That is mainly due to higher fuel costs—another matter that the current UK Labour Government are unwilling and unable to address and which is having detrimental impacts on the fishing industry. It is also due to fewer boats going out, as it is no longer commercially viable to do so, largely because there are no incentives or support for smaller members of the fishing industry, which used to be so profitable. The Bellrock is also paying the same price, or more, for smaller fish than it used to receive. Because of the inconsistent price and size of fish, many of the fish shops in my constituency are turning to frozen-at-sea fish, which is generally supplied by larger companies using fish from overseas. That reduces the reliance on local producers and processors.

Jim Shannon: I commend the hon. Lady, who has brought a matter to my mind and probably to the mind of the Minister and others. We have just seen a record price for a cod supper—I think the paper this week said that it was £11.51. I go back further than most Members, but I can remember when £11.50 would have bought a fish supper for four people or more. It really does put pressure on the hospitality sector.

Lara Bird: I thank the hon. Member for that point, which highlights how deeply the issue is being felt across many different industries, not just among those who are going out and catching the fish.

As my hon. Friend the Member for Aberdeenshire North and Moray East mentioned in his opening remarks, the pitiful and arguably insulting allocation of funds from the UK Government to support fishermen and women in Scotland not only fails to reflect their contribution to the fishing sector, but fails to hold up other businesses and industries that rely on it. That is just an example—the tax on jobs is another—of the destructive Labour policies that mean that businesses in my constituency are really struggling.

A historic, integral fishing industry on an island nation cannot be allowed to struggle and decline while the UK Government sit back and do nothing. From my experience of speaking to my constituents, it is not about a lack of will or demand for fish in Scotland. As my hon. Friend outlined, the situation we are in is purely about the lack of engagement from the UK Government to experience what is happening to the fishing industry in Scotland and provide adequate policies to support it.

Sir Alec Shelbrooke (in the Chair): I call the Liberal Democrat spokesman.

5.29 pm

Andrew George (St Ives) (LD): It is a pleasure to serve under your chairmanship, Sir Alec. I congratulate the hon. Member for Aberdeenshire North and Moray East (Seamus Logan) on securing the debate and making a strong case on behalf of his region in Scotland. He focused on the fishing and coastal growth fund, which is £360 million over 12 years, as he understands, so it is spread over a very long period. When one looks at it across the whole UK on an annual basis, it is spread very thinly.

Coastal communities in particular have been left behind following Brexit, as the hon. Member mentioned. In Cornwall, for example, we were entitled to objective 1 aid from the EU. Following Brexit, we were promised equivalent funds from the Treasury to make up for the loss of EU aid; it was equivalent to £100 million a year coming into Cornwall, which is one of the most deprived regions not just in the UK, but in Europe. It is now 2026 and there are no funds at all: over the years, that replacement has simply not happened.

A paltry amount is available through the fisheries and coastal growth fund, but it is being spread around the country and, as the hon. Member rightly says, it is a relatively small fund. It is welcome, of course—one should not decry the Government for making the offer—and I entirely understand that the purpose of the fund is to modernise the fishing industry and the seafood

sector, build resilience and support coastal communities. However, I hope that the Minister will ensure that the funds go to those areas that need it most, rather than simply allocating it on a flatline basis across the country, based on the size of the existing fishing industry. Not all communities are doing as well as one another.

I congratulate the hon. Member for Strangford (Jim Shannon) on adding to what must be a world record for Westminster Hall debate contributions. I thank him for emphasising the social and cultural as well as economic consequences of the fishing industry in his part of Northern Ireland. I also congratulate the new hon. Member for Arbroath and Broughty Ferry (Lara Bird), who is already proving hyperactive: this is her second debate in Westminster Hall today. She made a very telling contribution that illustrated brilliantly the impact of changes in recent years, the demise of the haddock fishery and its consequences on the community.

On the future of the fishing industry, we must recognise and acknowledge that the best type of fishing policy is one in which politicians do not need to get involved. It is one in which scientists, fishermen and marine conservationists work together in a framework created by politicians in which they can come to an agreement on the future management of stocks. In my early days in Parliament, I was a member of what was then the Agriculture Committee. We visited a number of countries, including Spain and Iceland, where it was quite evident that the relationship between scientists and fishermen was much better established than in this country, where—at that stage, at least—scientists were seen in the industry as some kind of enemy. The presumption, wrongly, was that they were working to shut the commercial fisheries down.

Now those relationships have significantly improved. Recently, in April this year, on the initiative of the fishing industry itself, the Cornwall fisheries science board was established. We need to see a great deal more of those kinds of positive initiatives. We have just had the 10th anniversary of the Brexit referendum, so it is appropriate that we take a moment to reflect on that, as it has been mentioned on a number of occasions.

As someone who campaigned to remain, I had to acknowledge in the debates we had at the time that the one sector in which one could easily identify potential to thrive and improve in Brexit circumstances was the fishing industry, if there were an opportunity to regain control out to the 12-mile limit.

Ben Maguire (North Cornwall) (LD): Will my hon. Friend give way?

Andrew George: Briefly, as I do not want to test Sir Alec's patience.

Ben Maguire: I will be brief. My local fishermen in North Cornwall have been waiting three years for the inshore fisheries and conservation authority and DEFRA to implement a byelaw to restrict vessels above 12 metres in the inshore Cornish waters within 6 nautical miles. Does my hon. Friend agree that this is urgently needed and would do exactly what he has been calling for by restricting those larger vessels and helping to manage the stocks that he is talking about?

Andrew George: I am grateful to my hon. Friend for making that point. Had we secured control between the 6-mile and 12-mile limits, as was promised at the time but has not been delivered, one could see circumstances in which local IFCA's, local management and indeed the Government would agree that there would be an opportunity to achieve that within the 6-mile limit.

It is telling that, after the flotillas up the Thames and certain campaigners using the fishing industry as the poster boy of the Brexit campaign, on occasions like this debate, when they should come along to explain what happened as a result of the promises they made, they are conspicuous by their absence. They are not here to answer for themselves and for the claims they made at the time. Where are they? They should be here to explain why the industry is still struggling post-Brexit.

5.37 pm

Sir Ashley Fox (Bridgwater) (Con): It is a pleasure to serve under your chairmanship, Sir Alec. I thank the hon. Member for Aberdeenshire North and Moray East (Seamus Logan) for securing this important debate.

Fishing is not just an industry; to many it is a way of life, passed from one generation to the next. It is why so many people in our fishing communities looked to the Government's UK-EU summit in May 2025 with disbelief. At that summit, the Government agreed to grant the European Union full access to UK fishing waters until 2038—a 12-year extension of the existing arrangements. The Government said that it would be in return for British participation in the Security Action for Europe defence fund. Despite repeated questions, however, it remains unclear exactly when or indeed if they will achieve that. That is because the talks collapsed when the EU demanded billions of pounds from Britain as a condition for joining. You might think, Sir Alec, that the Government would have thought about that possibility before signing away important fishing rights. They seem to have got nothing in return.

Can the Minister therefore confirm whether the Government will renegotiate with the EU and return the fishing rights to our fishermen and women, now it is clear that the talks have failed? Or was our fishing industry just used as a bargaining chip in pursuit of the Prime Minister's broader political objective? This House deserves answers, and so do the communities whose futures depend on those decisions.

I have no doubt that the Minister will refer to the fishing and coastal growth fund and will claim that it demonstrates the Government's commitment to the sector, but fishermen across the country feel very differently. The Environment, Food and Rural Affairs Committee has raised serious concerns about the Government's approach in relation to this fund. It found that Ministers had not clearly explained why the figure of £360 million was chosen, why the fund should run for 12 years or why this support is best delivered through a single integrated scheme. Crucially, the Committee also concluded that the fund lacks clear objectives against which success can be measured. That is a remarkable criticism, and I hope the Minister will address it. I ask him these questions directly. What are the objectives of this fund? How will he measure its success? What outcomes will demonstrate to fishing communities that this money has delivered meaningful change? And what happens if those objectives are not met?

[*Sir Ashley Fox*]

The previous Conservative Government had a clear record of backing our fishing industry. We secured increased fishing opportunities, allocated substantial support for the long-term future of the sector, developed new fisheries such as bluefin tuna, and began replacing the hated common fisheries policy with a bespoke framework designed around the interests of UK fisheries.

On this side of the House, we support investment in fishing and coastal communities. Many stakeholders have rightly highlighted the need for better port infrastructure, improved training opportunities and investment in skills, scientific research and fleet modernisation. By contrast, this Government's headline achievement has been to lock in EU access to UK waters for another 12 years while offering a fund that, to many, looks to be little more than a sticking plaster.

Additionally, "Economic outcomes of annual negotiations for UK fishing opportunities in 2026", published earlier this year, shows that there has been a decrease in this year's quota of 135,000 tonnes compared with last year's quota. That will cost the British fishing industry £136 million. At the same time, spatial squeeze is forcing fishermen out of their traditional fishing areas, and new rules have been imposed governing trawl mesh sizes. The Iran war pushed up fuel prices, but the Chancellor's May statement on support during the Iran war did not help fishers at all.

The fishing industry is vital for our food security and deserves proper support from the Government to address the financial pressures and uncertainty that many fishing communities now face. The Conservatives will always stand up for the rights of access to our own waters and Britain's rights as an independent, sovereign coastal state. I urge the Government to do the same.

5.42 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Stephen Morgan): It is a pleasure to serve with you in the Chair, Sir Alec.

I am very grateful to the hon. Member for Aberdeenshire North and Moray East (Seamus Logan) for the timely opportunity to take part in my first fisheries debate and to set out the priority I place on this industry. I congratulate him on the timing of this debate; I assume that he is not an England football fan.

In addition, I welcome the two new Members—the hon. Members for Arbroath and Broughty Ferry (Lara Bird) and for Aberdeen South (Douglas Lumsden)—and I congratulate them on contributing so successfully this afternoon.

Having proudly grown up in a coastal community and now representing a constituency that has a small fishing port, as well as having a father who regularly took me sea fishing, I am delighted to have been appointed as the new fisheries Minister. I am excited to have the chance to support the fishing industry and help it to adapt to the opportunities and challenges ahead.

The hon. Member for Aberdeenshire North and Moray East made a number of specific points, and I assure him early in my speech that I am very happy to write to him on the specifics.

As ever, the hon. Member for Strangford (Jim Shannon) made some helpful points on immigration policy and visas. He will recognise that such matters are for the

Home Office to comment on. However, I can assure him this afternoon that my Department is in regular conversation with counterparts in the Home Office about the concerns that the industry and Members have raised today. I have already met my equivalent fisheries Minister in Northern Ireland. The hon. Member will know the seriousness that I place on my relationship with colleagues in Northern Ireland, and I assure him that I will do the same in my new ministerial role.

Fishing is not just an industry, and fishermen are not just businessmen; they and their industry are economically, socially and culturally important to the vitality of many coastal communities across the United Kingdom. Before I go further, it is customary to pay tribute to those in the fishing community who have been injured or have tragically lost their lives in what can be a very dangerous industry. On Sunday, I attended a memorial for seafarers, and my thoughts are with all those who have been injured or have tragically lost their lives at sea. We must not lose sight of the fact that fishing communities contend with really tough and dangerous working conditions. The work to improve safety across the industry remains essential, and I welcome the efforts from the industry and the Maritime and Coastguard Agency to drive progress in this important area.

Our fishing fleets across the UK are incredibly diverse, as we have heard, from small day boats in my Portsmouth South constituency to the large trawlers in the constituency of the hon. Member for Aberdeenshire North and Moray East. Across our nation, each and every one of those vessels, their crew and those supporting them on shore work hard to support our food security and provide jobs in our coastal communities.

UK seafood is in high demand, with a world-class reputation for quality. I am deeply proud to promote and support a thriving, sustainable fishing sector. I have heard from representatives of the UK fishing industry about the work that goes into getting our revered British seafood from net to plate. I met the Scottish Fishermen's Federation this week, and it gave me valuable insights into the opportunities presented to the fishing industry and the solutions to some of the challenges.

Sir Ashley Fox: Will the Minister give way?

Stephen Morgan: I will make some progress.

I strongly believe in working with those in industry who best know the solutions and how to deliver lasting change, so I will be listening to and working with the industry. I look forward to getting out on the quayside, accepting the invitation from the hon. Member for Aberdeenshire North and Moray East to visit his constituency and engaging with fish markets and processing facilities to hear at first hand what fishermen and those working across the supply chain have to say about our world-class fish and seafood.

Jim Shannon: Previous Ministers all made a journey to Portavogie, and I extend the same invitation. If he is not going anywhere on holiday during the summer, will he please come to Portavogie? He is very welcome, and he will have the best scampi in the world—I know the hon. Member for Arbroath and Broughty Ferry (Lara Bird) makes the same claim, but that is by the way. If the Minister has a spare day, he should come to Portavogie. He would be very welcome.

Stephen Morgan: The hon. Member teases me to visit Northern Ireland, knowing that scampi is my dish of choice on a Friday, so perhaps that is a visit we can get into my diary sooner rather than later.

I am very aware that the fishing industry faces a multitude of opportunities and challenges. As we have heard in today's debate, enabling the industry to benefit from opportunities and adapt to challenges is a top priority, building on the good work of my predecessors. At the heart of this is a recognition that for the fishing industry to thrive, it has to be environmentally, economically and socially sustainable. I will carefully consider how to address pressure on fish stocks as we enter the autumn peak of negotiations with other coastal states for fishing opportunities.

Douglas Lumsden: One of the challenges our fishermen now face is the high cost of fuel. In Ireland, the Government have announced a €15 million fuel aid package for their fishermen; in France, a similar scheme has been announced. Will the UK Government consider a similar scheme to help our fisherman with the high cost of fuel?

Stephen Morgan: I thank the new hon. Member for his intervention—I was waiting for an invitation to visit him in Scotland, but perhaps that will come later. I am very alive to the issues around costs. He will know about the interventions the Treasury has already made on red diesel, which will benefit the fishing community. I continue to monitor the situation closely, working with industry on potential solutions.

The extreme temperatures that we have seen this summer have rightly focused attention on climate change, and we must take that more seriously. The fishing industry will need to adapt to the impacts on stocks where new species flourish in our waters and where stocks that we have traditionally fished move away.

Also on my mind, as covered in today's debate, is the need to respond to current and emerging challenges, such as operating costs and pressure for marine space. The fishing and coastal growth fund is therefore one of the key tools that this Government have introduced to support the sector right across the United Kingdom. Shaping how that fund is used in future years is a priority. Having met with my ministerial colleagues in the devolved Governments already, I know that they will be thinking about this too.

The context of these issues is important. The fund is in addition to the largest real-terms spending review settlement for the devolved Governments of any settlement since devolution. Importantly, devolution means that all Governments have the autonomy to shape their funds in the way that works best for their nations. I am confident that, by working together, we can ensure that the UK seafood industry has a bright future for generations to come.

Sir Ashley Fox: The Minister is drawing to the end of his time allocation, but could he explain to fishermen the benefits, as he sees them, of his Government signing away to the EU 12 years of access to our fishing waters?

Stephen Morgan: I would politely say to the shadow Minister that I will take no lectures from the Conservative party, who saw the fishing community decimated with broken promises, fishing numbers down, economic damage

done and a dramatic decline in exports. I will take no lectures from him, given his party's record on these issues.

I want to briefly touch on some of the Government's achievements since 2024. First, I remind hon. Members that, despite a difficult scientific backdrop, the UK has secured access to 640,000 tonnes of fishing opportunities for the 2026 fishing year, estimated to be worth just over £1 billion based on historical landing prices. Our fisheries management plans set out how to maintain or restore fish stocks to sustainable levels. The UK programme is well under way and being delivered in close collaboration with the fishing industry and other stakeholders.

We have been working with the industry in England to understand its priorities and those of coastal communities, and that is helping to shape the fishing and coastal growth fund. That is already driving growth for the future. In England, this April, we began to deliver funding through the fisheries and seafood scheme, supporting fishing and seafood industries and coastal communities across England. So far, we have received around 260 applications with a value of around £15 million in grants.

Those are just three headline achievements this year, and our work continues at pace on a range of other areas. We are now beginning our preparations for the end-of-year consultations with the EU and other coastal states on fishing opportunities for 2027. Over the summer, we will be working closely with the sector to consider the scientific advice and to understand its perspectives and requirements for next year.

Our export markets are vital—in 2024, seafood exports were worth £2.1 billion—and support jobs not just at sea but across the supply chain. We are working at pace towards a new SPS agreement with the EU and aim to have legislation in place by the end of 2027. That will make it easier to sell British fish to our largest trading partner, and will strengthen the economies of our coastal communities.

We will continue to set our own rules outside the common fisheries policy—rules that support sustainable fisheries and protect marine life—and the deal will remove costly paperwork for fish exports to the EU. By cutting red tape and helping fisheries get their products on the shelves quicker and more cheaply, we are looking to allow UK shellfish exports that are currently banned—a big win for producers.

We also export beyond the EU and are backing export success through a £1.5 million a year seafood export package funded from the fishing and coastal growth fund. That will ensure that UK businesses best placed to take advantage of trading relationships by opening new opportunities for growth and trade.

Let me turn to the issues raised on managing marine space. Last year, DEFRA gave a steer to the Crown Estate on the key risks and issues associated with future offshore wind development in the English sea. That was informed by the marine spatial prioritisation programme, and has helped the Crown Estate to unlock offshore wind in a way that considers all marine sectors and fisheries and protects the marine environment.

In conclusion, I am proud to represent a coastal opportunity and to have the opportunity to help shape fishing's contribution to coastal communities, food security and the wider economy. I look forward to working with

[*Stephen Morgan*]

the hon. Member for Aberdeenshire North and Moray East and all colleagues in the long term to ensure that fishing has a sustainable future across the whole of the United Kingdom.

5.54 pm

Seamus Logan: It was remiss of me not to welcome the Minister to his place earlier, and I formally do so now. I thank everyone who has contributed to the debate. We have had a small number of speakers, but it is not about volume; it is about quality. There were lots of references to broken promises; there have been too many broken promises, I am afraid, but let us hope that the future will result in promises kept, and I wish the Minister well in his endeavours in that regard.

The shadow Minister, the hon. Member for Bridgwater (Sir Ashley Fox), asked some very searching questions; I agree with him that we need to know what outcomes will flow from the fishing and coastal growth fund. I was particularly interested in the Minister's reply to the hon. Member for Strangford (Jim Shannon) in relation to immigration, and it sounds very much as if

there might be some productive dialogue in the future—let us hope so. I was also very heartened to hear that the hon. Gentleman takes great pride in this industry and that he has a heritage there to draw on; that is wonderful. I endorse the remarks that were made about the impact of fuel costs on the industry and about the dangers that our fishermen and women face when they go to sea—it is a very dangerous occupation.

Finally, I want to take issue with one part of the excellent contribution from my hon. Friend the Member for Arbroath and Broughty Ferry (Lara Bird): she claimed to have the best fish and chip shop in the world in her constituency. Many Members in Westminster Hall and the main Chamber will have laid claim to that title, but I assure her that there are many fish and chip shops in my constituency that believe they have that title, not least Findlay's in Fraserburgh.

Question put and agreed to.

Resolved,

That this House has considered Government support for the fishing industry.

5.57 pm

Sitting adjourned.

Written Statements

Wednesday 1 July 2026

FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

Ukraine Recovery Conference 2026

The Minister of State, Foreign, Commonwealth and Development Office (Stephen Doughty): On 25 and 26 June, the Foreign Secretary attended the Ukraine Recovery Conference 2026 in Gdańsk, Poland, where she was joined by the Deputy Prime Minister and the Chancellor of the Exchequer. The annual conference is the major international recovery and reconstruction event for Ukraine, and the most important non-military focused conference in the Ukraine calendar. It brings together Governments, international financial institutions, civil society and the private sector to mobilise support for Ukraine's long-term recovery.

URC26 has come at a critical moment as Russia continues its illegal war with sustained attacks on Ukraine's civilian and critical national infrastructure.

On Thursday, the Foreign Secretary set out a total package of half a billion pounds of support for Ukraine, made up of almost £290 million of bilateral assistance to bolster Ukraine's recovery and energy security, and the signing of a £210 million UK Export Finance guarantee, previously announced by the Prime Minister at the G7, to help secure Ukraine's nuclear energy supply.

The bilateral assistance of £290 million for this financial year will help meet Ukraine's urgent energy and humanitarian needs as well as support longer-term economic and social recovery. This package was referenced in the Foreign Secretary's written ministerial statement and oral statement on official development assistance programme allocations back in March.

Three projects were highlighted which form part of this package:

Up to £13 million to support British International Investment's intention to commit to the EU flagship fund. The fund will provide long-term equity investments into key sectors including energy, infrastructure, and SMEs—all critical to rebuilding Ukraine's economic foundations. The fund—backed by the European Union, and the Governments of France, Germany, Italy, and Poland, alongside their development finance institutions—represents a flagship platform for collective UK-European action.

Up to £12 million for a new governance programme. This will include up to £2.4 million for the EU anti-corruption initiative to help Ukraine's anti-corruption agencies and key civil society actors prevent, spot, investigate and prosecute corruption. It will also include up to £1 million to deliver core judicial reforms so Ukraine's justice system operates with integrity, meets EU accession requirements, and underpins wider objectives on anti-corruption, democratic governance, and post-war recovery.

Up to £763,000 to continue to support reforms to modernise Ukraine's energy and climate sectors and to develop and promote decarbonisation policy, through support for the Green Transition Office and for the implementation of the recently adopted national energy and climate plan of Ukraine, key for the green transition, and unlocking EU markets.

The £210 million UK Export Finance guarantee will enable UK-based Urenco to supply nuclear fuel to Ukraine's national power company Energoatom to enable nuclear power plants to continue supplying over 50% of

the country's electricity for the next two years. This deal is critical to Ukraine's energy security, strengthening Ukraine's resilience and ability to withstand Russia's attacks on its energy infrastructure. The deal will also boost the British economy, as Urenco employs more than 650 people in the UK and its Chester site supports more than 4,500 jobs around the UK in the wider supply chain.

The UK also announced a series of additional measures for Ukraine, including:

the UK's latest \$1 billion tranche of fiscal support for Ukraine, approved by the World Bank, which, pooled with partners' support, will provide more than \$4 billion in additional funding for Ukraine. This support will keep hospitals, schools and essential public services operating across Ukraine and help unlock private sector investment, support economic growth and create skilled jobs.

new British International Investment investments of up to £65 million, utilising existing UK ODA funding, to co-finance projects that will expand lending to small and medium-sized enterprises through the Bank of Lviv and support construction of two new wind farms;

up to £200,000 to scale up support to Ukraine's critical minerals sector through deploying British Geological Survey expertise to strengthen geological data, improve standards and unlock investment;

up to £1 million for the second year of the DBT's project development programme to support British business participation in the early-stage planning of reconstruction projects across Ukraine following the successful delivery of projects in phase one, including feasibility and scoping studies of Lviv airport future expansion by British companies and modernisation of schools in Vinnytsia.

UK Export Finance and Ukraine's export credit agency also signed a memorandum of understanding which will strengthen expertise sharing and support Ukraine's export credit agency to help drive Ukraine's private sector and exports.

These announcements bring total UK non-military support since the start of the invasion to £5.6 billion which includes:

up to £4.1 billion in fiscal support through World Bank loan guarantees to bolster Ukraine's economic stability and support vital public services.

up to £1.5 billion in committed bilateral assistance to fund humanitarian, energy, stabilisation, reform, recovery and reconstruction programmes.

The UK remains a leading partner for Ukraine's resilience, recovery and long-term prosperity. Our support fosters long-term political, security, economic and reform collaboration, anchored in the 100-year partnership, to help Ukraine endure now, recover at scale, and build the foundations for a secure Euro-Atlantic future.

[HCWS173]

CABINET OFFICE

Civil Service Pension Scheme

The Paymaster General and Minister for the Cabinet Office (Nick Thomas-Symonds): I wish to provide an update regarding the Civil Service Pension Scheme administered by Capita.

Capita has been working to restore, to contractual levels, administration of the Civil Service Pension Scheme following its failed transition in December last year, which left far too many scheme members facing severe delays in accessing their pensions, after many years of dedicated public service. Capita committed to restoring the service by the end of June.

The Government are now undertaking a comprehensive assessment of the latest data provided by Capita post the end of June commitment. We will complete a full evaluation of the actions, outcomes and figures provided by Capita.

Members and their constituents will rightly question the next steps the Government are taking and I intend to provide a comprehensive update to Parliament in the coming days.

We will continue to hold Capita to account, including using all commercial levers and we have been consistently clear that the Government will not hesitate to take firm action for continued underperformance.

[HCWS168]

CULTURE, MEDIA AND SPORT

National Lottery Good Causes

The Secretary of State for Culture, Media and Sport (Lisa Nandy): Today the Government are announcing a major call for evidence on national lottery good causes funding: “National Lottery Good Causes: Fund What Matters To You”. When John Major launched the national lottery in 1994 he promised that the new lottery would give

“anyone who has ever burned with the desire to change the face of their town, their village or the whole country a chance to do so.”

Since then, our national lottery has provided more than £53 billion across arts and culture, sport, heritage, and charity. Around 70% of adults in the UK now play the lottery in one form or another, every single year. Funded by the millions of ordinary people who take part every week, the national lottery is not just public money, it is literally the public’s money.

However, not since the brilliant Tessa Jowell in 2002 has anyone asked if we are spending the public’s money the way they actually want it to be spent.

Today’s call for evidence asks precisely that question, and for the first time in decades, brings the public back into the conversation after two decades—and puts people in the driving seat. They will write the next chapter in the story of the national lottery and of our country.

The national lottery has delivered some incredible things. Without it the Lowry would not exist, the People’s History Museum would not be able to thrive and our country would not have won so many record-breaking Olympic gold medals.

Instead, it is about being honest that the model—which sits largely unchanged from its launch over 30 years ago—is showing its age. It is rooted in a different era. Too often decisions are top-down, remote and made in distant rooms hundreds of miles away from the communities who know their needs and ambitions best.

Funding is concentrated in London and the south-east and is weighted to reflect populations, rendering too many towns and villages invisible to decision makers.

The majority of funding is spent on large grants to the detriment of smaller, community-led organisations. Smaller organisations face significant barriers—administrative burdens, digital exclusion and capacity constraints. The system favours those who have the ability to write grants that meet the needs of the system, rather than the system bending to the needs of communities.

It is time to address this and put the national lottery back in the service of all of our people and all of our communities.

As a consequence, our call for evidence will be guided by three simple principles.

First, this funding belongs to the public. The billions that the national lottery invests—£33 million a week—must reflect the modern priorities of the British people—in all communities.

Secondly, decisions must be made by the public. It is time to trust the people who know their streets, their community spaces, and their heritage best.

Thirdly, community ambition should not be met with red tape. We are determined to strip away the bureaucracy that acts as a barrier to community investment, making it easier for grassroots groups to access the funding they need.

We are also clear that this review will not tamper with the principle of additionality.

Heritage, arts, sport and culture belong to us all and it is for the people to determine what that is and what they treasure. They must be the authors of the story we tell ourselves about ourselves as a nation.

That principle will continue to be fiercely advocated by this Labour Government and we will not allow the national lottery to be used to plug day-to-day funding pressures.

Instead, we will equip it for the future, so that every time a player purchases a ticket and chooses their numbers, they will know that their money will go directly towards changing the face of their town, village, or city and living up to the ideal set out by John Major more than three decades ago.

The Government’s call for evidence can be found on www.gov.uk and we invite everyone to share their views on the future of good cause funding over the next 12 weeks.

[HCWS169]

EDUCATION

Teacher Workforce

The Secretary of State for Education (Bridget Phillipson): High quality teaching is the in-school factor that has the biggest positive impact on a child’s outcomes, breaking down barriers to opportunity for every child. Recruiting, retaining and supporting expert teachers across schools and colleges is central to delivering high and rising standards for all children and young people.

Despite a challenging financial context, progress is being made. We have made a record investment in schools, with the core schools budget increasing by £1.7 billion in 2026-27, and teacher pay has increased by almost 10% since this Government took power. Compared to 2023-24, there are 3,008 more teachers in secondary and special schools, 1,646 more teachers in colleges, and the number of trainee school teachers are up 13% on last year. Retention is also stronger across schools and colleges, with leaver rates in schools now at 8.5%—the lowest since at least 2010 (outside the pandemic years). More teachers are returning to state schools than at any point in the last 10 years.

There is still further to go. That is why our 6,500 delivery plan set out a comprehensive plan for the rest of this Parliament, and our recent White Paper “Every Child Achieving and Thriving” committed to go further to support and invest in the workforce, including:

Doubling the period of full maternity pay to eight weeks, and funding similar improvements for support staff and college staff.

Giving teachers the training they need through a new and improved teacher training entitlement, to ensure that every teacher and leader can access high-quality professional development, alongside more than £200 million over three years for our SEND CPD programme.

Supporting excellence in leadership, including through a new mentoring and coaching offer for headteachers as well as wellbeing support for up to 2,500 leaders annually, and piloting a new place-based headteacher retention incentive.

Working in partnership with the profession across our sectors, including through the improving education together agreement with unions and employers, so that policy works in practice.

This Government have prioritised teacher pay. Last year, I accepted in full the School Teachers Review Body's recommendation of a 4% pay award, delivering an increase of almost 10% over two years. Alongside this, we provided an additional £190 million to colleges and other 16 to 19 providers to help them drive forward the recruitment and retention of excellent teachers, building the skills and opportunities our economy needs.

This year, I sought the STRB's recommendations for pay awards for the next two years, as well as their indicative recommendation for 2028-29. Today, I am announcing that I am accepting in full the independent STRB's recommendations for the next two years. From September 2026, teachers and leaders will receive a pay award of 3.5%, followed by a further 3% increase from September 2027. I am also accepting the STRB's recommendation to uplift the bottom of the unqualified teacher pay range in the rest of England by 5%, supporting employment-based routes into teaching, including apprenticeships.

Taken together, this means school teachers will have seen a 17% increase in pay since this Government took office, delivering a real-terms increase (based on Bank of England CPI forecasts). By September 2027, starting salaries will exceed £35,000, helping to attract talented graduates, while the average schoolteacher salary is expected to rise to over £54,400, supporting retention and experience in the classroom.

I recognise the vital role that school support staff play, and I will continue to build on work already under way, such as establishing the new School Support Staff Negotiating Body. Most support staff have already been offered a 3.3% pay increase in '26-27 through the National Joint Council for Local Government Services process, subject to agreement, and I thank them for their continued contribution to children and young people's education.

I am also announcing that from 1 September 2026 executive pay must not rise faster than teacher pay. And for any new appointment where the pay exceeds £174,000, trusts will need to seek Government approval before they can even advertise the role in line with HM Treasury senior pay guidance. We want the best leaders running our schools— but executive pay must represent real value for money for pupils and parents.

Supporting schools and colleges

We recognise that the costs associated with the pay awards are higher than what was proposed to the STRB. The Department is providing £700 million additional funding for schools in this financial year to support them with the cost of staff pay awards, rising to £1,115 million in 2027-28, on top of the funding already provided in their existing budgets. This additional funding will come from DFE budgets. This significant additional

investment, on top of funding increases announced at the 2025 spending review (including funding for SEND reform), will see the Department fund the majority of these above-inflation pay awards across both 2026-27 and 2027-28 at a national level. Put together, this investment demonstrates even in a tight fiscal environment that this Government are prioritising education.

Recognising the vital role that colleges and other FE providers play in building the skilled pipeline of workers to power our economy, the Department is also providing around £120 million of additional funding for further education in financial year 2026-27, rising to around £365 million in 2027-28, which will come from DFE budgets. This substantial investment will help ensure that young people receive the quality education they need regardless of their setting, furthering their opportunities and supporting economic growth.

As we have stated throughout the pay process, schools will need to continue to absorb a portion of the cost of pay awards over the next two years. This is in line with asks of the whole public sector to maximise the impact of every Government pound spent. We expect schools to absorb approximately the first 1% of pay awards in both 2026-27 and 2027-28 through implementing plans to realise and sustain better value from their existing spend. This is 1% on average, based on our affordability assessment set out in the schools' costs technical note, and makes an assumption of equal pay awards for all staff in financial year 2027-28. The remaining costs of pay awards above the first 1% will be covered through funding as announced at the 2025 spending review, as set out in the 2026 schools' costs technical note, and through the additional funding announced today. Additional funding for 2027-28 will be rolled into the national funding formula, which we will publish in the autumn. Taken together, the new funding, existing funding and the 1% absorbed through better value from existing spending are expected to cover the overall cost of pay awards over 2026-27 and 2027-28.

Building on the work schools have done last year to contribute towards the cost of pay awards, we are supporting schools to maximise existing resources to deliver this pay award and support every child to achieve and thrive with clear expectations on pay over a longer time horizon.

For too long schools and trusts have been left to negotiate commercial contracts alone, working with suppliers with significant resources, specialist teams, and a commercial interest in maximising what they charge. Government have a role to play and through our Maximising Value for Pupils programme <https://www.gov.uk/government/publications/maximising-value-for-pupils/maximising-value-for-pupils> we are using the collective weight of the entire school system to push back through:

DFE Energy for Schools
<https://get-help-buying-for-schools.education.gov.uk/categories/energy/energy-for-schools> which aggregates buying power across the sector and provides protection from market volatility and sudden price increases driven by global events. Benchmarking shows a typical primary school could save £4,900 per year on electricity and gas combined, and a typical secondary school could save £23,200.

The new supply teachers and education recruitment framework <https://get-help-buying-for-schools.education.gov.uk/categories/recruitment-hr-training/supply-teachers> which caps supplier margins

and waives temporary-to-permanent fees after 12 weeks. Schools could save between 5% and 24% on the total cost of a supply teacher under the new framework.

Our free banking comparison tool <https://banking-for-schools.education.gov.uk/site/LEUFJZNSINPDVTWF/index.html> which makes it straightforward to compare options and unlock better returns without necessarily switching banks. A savings platform is also available. Bishop Hogarth Trust went from £16,000 to over £1 million a year in returns after reviewing their arrangements.

We have also started the process of establishing a national procurement framework for management information systems on behalf of every school in England to secure transparent pricing, consistent data security, and clear supplier accountability.

We expect all schools and trusts to use the new management information systems framework, agency supply framework and our new energy for schools service (or approved deals), unless schools and trusts have an alternative compliant agreement with rates which do not exceed those available through these deals. We will update the academy trust handbook by September to reflect these expectations.

As with schools, we ask colleges and other further education providers to continue to maximise value from their budgets. The comparable funding we are announcing today will help address immediate staffing pressures in the sector, but providers should continue to leverage opportunities from rising student numbers and effective commercial arrangements to ensure every pound counts in delivering high-quality outcomes for learners. Colleges will also continue to have access to a suite of support from the Further Education Commissioner to help them maximise value.

Alongside the additional funding in respect of pay and recruitment and retention in 2027-28, there will also be funding adjustments to reflect the valuation of teachers' pensions contributions. From April 2027, schools and colleges will see the costs of their employer contributions to the teachers' pension scheme decrease in line with the 31 March 2024 valuations published today. This change will not reduce the value of the defined-benefit teachers' pension for current or retired teachers, and the TPS remains one of the best pension schemes available. When schools and colleges have faced increasing pension costs in recent years funding has been uplifted, so it is only right that funding is adjusted for this change. The funding will remain proportionate with contributions at a national level.

Building a modern profession

The teacher pay award is part of our comprehensive approach to building a system that enables every child to achieve and thrive, reforming education while valuing those who deliver it.

I am also committed to delivering on the ambitions of the Children's Wellbeing and Schools Act—ensuring every state school teacher can rely on a core pay offer, and building in additional flexibilities to enable all schools to innovate and attract and retain the top talent they need. This is part of my drive to reform working conditions which are fundamental to the quality of teachers' and leaders' professional experience.

I know that many teachers work significantly more than 1,265 hours. To be clear, the Department has not proposed the removal, or a specific change, to the current 1,265 directed hours limit. On the contrary, I want to build a comprehensive picture on how working

hours arrangements interact with and impact on workload, which is why I remitted the STRB for their views on working hours arrangements and I continue to be committed to reducing teacher workload. I am pleased to announce changes to the school teacher pay and conditions that give schools more flexibility with inset days and clarify protections on leaders' working time.

After careful consideration and further review of the evidence put forward by statutory consultees, I have decided not to reduce the salary safeguarding period at this current time and to retain the three year existing protection for teachers.

I am accepting the STRB's recommendation to enable schools to offer non-consolidated payments/bonuses to teachers, so they too have the option to offer modest recognition schemes to reward their staff. This extends the flexibilities that academies have operated to maintained schools giving them the option to be innovative in their approach to rewarding staff.

Technical Annex: Further details on the STRB process and recommendations

STRB process, recommendations, and response

The 36th report of the School Teachers Review Body, responding to the remit issued on 22 July 2025, is being published today. The report will be presented to Parliament and published on gov.uk.

For 2026-27, the STRB recommended an increase of 3.5% to all teacher pay ranges and allowances and a 5% uplift to the bottom of the unqualified teacher range (rest of England). For 2027-28 the STRB recommended an increase of 3% to all teacher pay ranges and allowances. The STRB also recommended an indicative increase of 3% to all teacher pay ranges and allowances for 2028-29. This pay award applies to all teachers in maintained schools. The Government are accepting the recommendations for 2026-27 and 2027-28 in full.

Alongside the pay award, we have accepted the STRB's recommendation to allow schools to have the option to offer modest recognition schemes to reward additional contribution beyond core duties. However, after careful consideration, we have decided to retain the existing salary safeguarding provision for teachers and leaders at this time.

The STRB also gave their views on working hours. We are implementing suggestions on inset flexibility and leaders' working time protections and Department for Education officials will consider the full scope of the wider views and suggestions in future policy development.

The Department for Education will now consult all statutory consultees of the STRB on the Government's response to these recommendations and on a revised school teachers' pay and conditions document and pay order. The consultation will last for 12 weeks, and the STPCD will be published as soon as possible.

Further details on funding in 2026-27 and funding adjustments to reflect the valuation of teachers' pension contributions

Funding for schools

We are providing schools with £700 million in additional funding in financial year 2026-27 rising to £1,115 million in 2027-28 to support them with their overall costs, including teacher and support staff pay awards. The additional funding for pre-16 schools and high needs providers will be distributed through the schools budget

support grant 2026, with funding for eligible early years providers being distributed via the early years teacher pay grant 2026. Funding for 16 to 19 schools will be distributed via 16 to 19 allocations to support post-16 provision in schools and academies.

Through SBSG 26, we will provide £522 million for mainstream schools in respect of their provision for pupils aged 5 to 16; nearly £98 million for high needs providers; and nearly £14 million for centrally employed staff. Nearly £18 million will also be provided in respect of early years provision in schools provided through the EYTPG 26. We will provide around £49 million to 16 to 19 schools to support post-16 provision in schools and academies.

Further information for schools on the methodology, conditions of grant and per-pupil rates, as well as a calculator tool for the additional funding in respect of pay in 2026-27 will be published shortly. The overall design and distribution will reflect previous pay grants.

Funding for further education

The Department is making available additional funding of around £120 million in financial year 2026-27, rising to around £365 million in financial year 2027-28, to support colleges and other FE providers to address immediate staffing pressures and deliver our ambitious skills and qualifications reforms.

Taken together with the additional funding for post-16 provision in schools and academies which comes from within the overall schools funding envelope, around £170 million will be available for post-16 funding in financial year 2026-27, rising to around £535 million in 2027-28.

Funding adjustments relating to the valuation of teachers' pension contributions

Funding for schools and colleges will be reduced to reflect the decreased cost at national level and thus be cost neutral for public sector employers as a whole. Schools and colleges will see the costs of their employer contributions to the teachers' pension scheme decrease by £3 billion in 2027-28 following the valuation of teachers' pension contributions. Funding for schools and colleges will decrease by the same amount.

For mainstream schools, the adjustment will be incorporated into the 2027-28 schools national funding formula which will be published in the autumn. This will incorporate the decrease into core school funding allocations from 1 April 2027 for maintained schools and 1 September 2027 for academies. A separate adjustment will be made to allocations for academies in respect of the period from 1 April to 31 August 2027. We will provide further details on how that will operate alongside details of the SBSG 26.

Equivalent funding reductions will also be made for special and alternative provision schools from 2027-28, through adjustments to local authorities' high needs allocations within their 2027-28 dedicated schools grant. We will provide more detail on how those adjustments will be made and passed on to providers later in the year.

For colleges and post-16 schools, we will reduce payments accordingly through the teacher pensions scheme employer contribution grants. We will provide further detail on how these adjustments will be made in due course.

[HCWS171]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Flood Re: Reform

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Emma Hardy): Please refer to the oral statement made earlier today.

[HCWS174]

HEALTH AND SOCIAL CARE

Respiratory Syncytial Virus Vaccination: At-risk Groups

The Parliamentary Under-Secretary of State for Health and Social Care (Mrs Sharon Hodgson): I am today announcing that the year-round respiratory syncytial virus vaccination programme will be extended to include more adults at risk of severe illness. From 1 September 2026, individuals aged 65 to 74 years with specific chronic respiratory diseases—excluding well controlled asthma—or immunosuppression due to disease or treatment will become eligible for RSV vaccinations on the NHS.

RSV is a common respiratory virus that circulates each winter, but its impact is generally less well understood than other respiratory infections like covid-19 and flu. While many people who catch RSV only have mild, cold-like symptoms, it also causes more serious chest infections including pneumonia and bronchitis. RSV can cause major complications in infants and older adults, particularly those with certain underlying health conditions.

The decision to expand RSV vaccinations was based on the latest independent expert advice from the Joint Committee on Vaccination and Immunisation. In February 2026 the JCVI supported offering vaccination to people aged 65 to 74 who have chronic respiratory disease—excluding well controlled asthma—or who are immunosuppressed due to disease or treatment, as new evidence showed that these groups are at equivalent risk to older adults already eligible for vaccination.

His Majesty's Government have accepted the JCVI's advice, and work is underway to ensure that people in these groups can get vaccinated from 1 September 2026. This decision follows the Government introducing new RSV programmes for people aged 75 to 79 and pregnant women on 1 September 2024, and the expansion of the older adult programme on 1 April 2026 to also include adults aged 80 and older and all residents of care homes for older adults.

Individuals in these groups will be able to get vaccinated at their GP practice, or at a community pharmacy in some parts of England. The most recent analysis of the older adult programme by the four UK public health agencies, published in *The Lancet's* European health journal, shows that a single dose of the vaccine cuts the risk of being admitted to hospital for RSV lung infection by 75%.

As with all programmes, the Department will consider any potential future advice provided by the JCVI, once it has reviewed new data on the impact and cost-effectiveness of vaccination in other specific groups with underlying health conditions.

[HCWS170]

JUSTICE

Prison System: Independent Review

The Lord Chancellor and Secretary of State for Justice (Mr David Lammy): This Government inherited a prison system in crisis, with prisons on the verge of collapse. Dame Anne Owers's independent review of prison capacity has set out that, shortly after the announcement of the 2024 general election, at one point there were fewer than 100 places available in adult male prisons, and that the system had been in crisis for over 18 months.

The immediate action had to be to stabilise the system to ensure sufficient prison places to hold offenders sentenced to custody. Considerable work has already been undertaken to this effect, including through implementation of the Sentencing Act. While the last Government added fewer than 500 net places overall to the prison estate in 14 years, we have already delivered c3,100 places and aim to deliver 14,000 additional prison places by 2031.

We have seen some early signs of progress made possible by that stabilisation: in the 12 months to December 2025, rates of assaults on staff and self-harm in custody decreased by 4.5% and 8% respectively. But we must be clear that the challenges facing the prison system are not only immediate but structural, evolving and long term in nature.

We are continuing to build on the progress made: we are investing a further £35 million this year in improving security across 17 of our most challenging establishments. This covers the installation of up to 13,000 new heavy duty steel grilles by spring 2027, preventing contraband—such as drugs and weapons—from being delivered into cells by drones. This builds on more than £40 million already invested in physical security improvements.

Prisons are facing significant and complex pressures. Technological change, serious and organised crime, and the demands of managing high-risk offenders are reshaping what is required to hold people safely, securely and decently in custody. Recent serious incidents, such as the horrific incident at HMP Frankland in spring 2025, underline the importance of ensuring that our prisons are safe, secure and capable of reducing reoffending.

We must ensure that our approach to the prison system keeps pace with these developments. The action this Government have already taken has provided an opportunity to look strategically at how we meet these challenges and the long-term future of prisons.

That is why I am today announcing the launch of the independent review of the prison system.

The purpose of the review is twofold.

First, it will provide a strategic, risk-based assessment of the key challenges facing the prison system, including security threats, maintaining safety and decency in the face of a long-term trend of a rising prison population, and of how our approach to managing risk needs to evolve over time.

Secondly, it will identify practical and deliverable options for reform to improve the resilience, performance and effectiveness of our prisons, ultimately focusing on how we can best protect the public. The review will build a robust evidence base to support long-term decision

making and inform our future strategy for prisons, ensuring that we are equipped to meet both current and emerging challenges. The review will also consider the opportunities available to strengthen the system, including those arising from recent reforms and investment. It will ensure that we are making best use of the levers available to improve outcomes, deliver value for money, and support a more effective and sustainable prison system over the long term.

Today I am launching this review and it is anticipated to conclude by the end of the year. I will provide the House with a further update once the review has concluded and I have had opportunity to consider the findings. I will deposit a copy of the terms of reference for the review in the Library of the House, and they have also been published on gov.uk.

Given the need for a review that commands confidence across Parliament and supports delivery over the long term, it is important that the chair brings cross-party credibility and experience at the highest levels of Government. For that reason, I have chosen to appoint the right hon. Amber Rudd as the chair.

The pressures facing the prison system form part of a wider set of challenges across public services. As Deputy Prime Minister, I am determined that we take a whole-system approach—one that looks across Government, aligns policy with operational reality, and ensures that long-term decisions are grounded in evidence and deliver value for money.

That means improving not just prisons but the wider criminal justice system. We are increasing investment in probation and community services by a further £700 million by 2028-29 and onboarding at least 1,300 new trainee probation officers in 2026-27—on top of more than 2,300 new trainees already onboarded since 2024-25. We are also taking targeted action following the independent review of the criminal courts to reduce court backlogs, deliver swifter justice, and modernise our courts to improve efficiency and resilience across the criminal justice system.

This review will play a central role in our approach, providing a clear and independent assessment of the challenges we face, alongside credible and deliverable options for reform over the coming decade and beyond.

The review will not make recommendations on sentencing policy, as this has already been subject to thorough consideration as part of the independent sentencing review.

In the last 18 months we have taken decisive action to stabilise a system in crisis, and we are continuing to make immediate improvements. This review will provide a clear and independent assessment of the challenges we face, alongside credible and deliverable options for reform over the coming decade and beyond. It will help us chart the path to a prison system that works for the future—one that makes prisons and the public safer.

I am grateful to the dedicated work of our brilliant staff working across our prisons and the wider criminal justice system, who continue to deliver vital public services in challenging circumstances. Through this review, we will ensure that our approach is not only responsive to immediate pressures, but is designed to deliver a more sustainable, effective and resilient prison system for the future.

PRIME MINISTER**Permanent Civil Service: Review**

The Prime Minister (Keir Starmer): I am pleased to inform the House of the Government's publication of the terms of reference for a review into the organisation, performance, and transformation of the permanent civil service.

This Government are committed to strengthening the delivery, accountability, innovation and productivity of the civil service, and to safeguarding its impartiality and core values, in order to enhance trust and confidence in the institutions of Government.

To this end, the Cabinet Secretary and Head of the civil service, Dame Antonia Romeo, will lead a wide-ranging review into the organisation, performance and transformation of the permanent civil service, with the aim of setting out a vision for the future civil service as a world-class institution.

The review will examine the full range of activities undertaken by the civil service, and will consider, among other things: the size, shape, and structure of the civil service; the impact of AI and technology on the service; the ability of the civil service to attract and retain the best talent from across the country; and the statutory footing of the service.

Recognising the essential role of Parliament in this work, the review will engage actively across both Houses, including with the Public Administration and Constitutional Affairs Committee, and the Constitution Committee in the House of Lords.

The review will report before summer 2027 and the final report will be made available to the public.

Alongside this fundamental review, the Cabinet Secretary and permanent secretaries will continue to deliver urgent work to improve delivery and accountability, innovation and productivity, and pride and trust, in and across the civil service.

[HCWS172]

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