

REBECCA LONG-BAILEY MP
MEMBER OF PARLIAMENT FOR SALFORD



HOUSE OF COMMONS
LONDON SW1A 0AA

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
The Correspondence & Enquiry unit
1 Horse Guards Road
London
SW1A 2HQ

The Rt Hon Liz Kendall MP
Secretary of State for Work and Pensions
Department for Work and Pensions
Caxton House
Tothill Street
London
SW1H 9NA

Our Ref: RL26313

19 March 2025

Dear Chancellor and Secretary,

Re: Proposed changes to the benefits system

I am writing on behalf of my constituents in Salford who have contacted me to express deep fear and devastation over the Government's proposed changes to the benefits system—particularly regarding financial support for unwell and disabled individuals. Indeed some constituents have expressed to me in the last week that the prospect of cuts to their support has caused them to have thoughts of suicide which has shaken me to my core. They are anxious that some of the Government's proposals outlined this week, could significantly impact a range of disability benefits, potentially stripping away critical support that enables people to live with dignity and independence.

The social security system is an important social safety net, there to ensure people's basic human rights are being met. Research from the charity Sense has revealed that 44% of disabled people with complex needs who are on benefits already regularly go without essential support and equipment because they cannot afford it – further cuts will only worsen this crisis and in turn drive up pressures on our NHS and other public services.

As such, while I welcome the investment in tailored, non-compulsory employment support, I am deeply concerned that removing £5 billion from the benefits system by 2030 would completely undermine the positive gains of this initiative. The Resolution Foundation have argued that the reforms risk "being a major income shock for millions of low-income households"; mental health charity Mind have warned that "these reforms will only serve to deepen the nation's mental health crisis" as it will be harder for people to access the support they need; while the End Child Poverty Coalition have said the cuts would "deepen child poverty and call into question the government's commitment to reduce this".

My constituents and I fully recognise the financial challenges facing the Government, which have been exacerbated by 14 years of mismanagement under successive previous Governments. However, I believe there are alternative solutions that deserve serious consideration which can provide the significant funding needed to allow us to deliver effective long lasting reform and rebuild our public services.

My constituents want to see a thriving, fair society where people can succeed. A fairer and more robust taxation of extreme wealth would provide a practical way to repair and sustain our public services without penalising the most vulnerable.

There is overwhelming public support for higher taxes on wealth. Recent YouGov polling found that 78% of voters support an annual wealth tax on those with assets worth over £10 million, including 77% of Conservative voters and 86% of Labour voters. Moreover, this view is not limited to the public—many millionaires themselves acknowledge the need to raise taxes on extreme wealth. A recent Survation poll showed that 68% of those with over £1 million to invest support a wealth tax on individuals with more than £10 million.

The campaign group, Tax Justice UK, has highlighted that up to £50 billion could be raised by reforming the taxation of wealth through key policy changes. They cite numerous examples as follows:

1. Apply a 1-2% wealth tax on assets over £10 million, raising up to £22 billion a year.
2. Equalise capital gains with income tax rates, raising up to £15.2 billion a year.
3. Apply national insurance to investment income, raising up to £8.6 billion a year.
4. End inheritance tax loopholes that disproportionately benefit the wealthiest, raising up to £1.4 billion a year.
5. Introduce a 4% tax on share buybacks, raising approximately £2 billion a year.

In light of these alternatives, I urge you to reconsider these proposed cuts and instead explore fairer and more practical ways to tackle inequality, boost growth and fund high-quality public services.

Many thanks for your assistance in this matter. I look forward to your response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca Long-Bailey', is set against a light yellow rectangular background.

Rebecca Long-Bailey MP
Member of Parliament for Salford