



GOVERNMENT WHIPS' OFFICE

HOUSE OF LORDS

LONDON SW1A 0PW

FROM THE LORD LEONG

GOVERNMENT WHIP DBT, DEFRA, DSIT, FCDO

020-7219 3778

Telephone 020-7219 3131

www.lordswhips.org.uk

holgovernmentwhips@parliament.uk

1 October 2024

Dear Lord Harrington,

I am writing to you following the Question for a Short Debate on the topic of Foreign Direct Investment to the UK that we debated on 10th September.

I would like to thank you for proposing the debate which underscored the importance of investment in achieving the government's missions. As promised, I wanted to address the outstanding questions raised, concerning the ambition and guestlist for the International Investment Summit, available data on small business investments and impact assessments on ending the non-dom tax regime as well as other measures, the details of which will be announced at the Budget.

The aim for the International Investment Summit is to underscore the Government's ambition for growing the economy and pioneering new ways of working with businesses, while forging opportunities across the UK. It will showcase the Industrial Strategy and the National Wealth Fund amongst other key policy and investment announcements, clearly setting out why the UK is a top destination for international investment. For security reasons we cannot share the guest list at this stage, but in addition to global CEOs, we expect VVIP and senior Government representation.

In relation to data on small business investment - the Department for Business and Trade records the size and sector of each investment it is involved in or made aware of. This includes FDI into SMEs. DBT regularly publishes inward investment statistics on gov.uk, however it is unable to provide granular breakdowns to protect the commercial confidentiality of the investments.

The Lord Harrington of Watford
House of Lords

I acknowledge Lords' concerns around the impact of tax, employment and pension legislation and changes to the non-dom regime on foreign direct investment.

As you know, the previous government announced at the Spring Budget 2024, that the current tax regime for non-UK domiciled individuals will be abolished and the OBR certified the yield expected from the measure announced as reasonable. The government is committed to reviewing key areas of the previously announced reforms to ensure the new regime is as simple, fair and competitive as possible. Further details will be confirmed at the Budget, but I can assure my Lords that all taxes are kept under review.

The landmark pension review launched by the Chancellor is currently in its first phase and is being led by the joint Treasury and Department for Work and Pensions Minister Emma Reynolds MP. It is focussed on pension fund investment and will report in the next months.

As for future policies to be announced at Budget, it is that case that if any changes to policy are judged to have significant macroeconomic effects, these will be assessed by the OBR in their upcoming Economic and Fiscal Outlook and will be published at the Budget.

I trust that these updates will prove satisfactory. I have copied this letter to all Peers who spoke in the debate and will place a copy of this letter in the library of the House.

A handwritten signature in black ink, appearing to read 'Leong', with a stylized flourish extending to the right.

LORD LEONG CBE