# Angela Rayner intensifies call against Treasury bias and austerity in fight for Northern funding



Angela Rayner, the Deputy Prime Minister, has recently intensified her criticisms of No. 10 and the Treasury, highlighting what she perceives as a persistent bias against the North and a tendency towards patronising attitudes from southern politicians. This confrontation underscores her commitment to advocating for more equitable economic policies, particularly in the context of her calls for heavy taxation on wealthier individuals to fund critical local services. Friends of Rayner contend that her fierce stance is driven not only by political ideology but also by a deep-seated desire to protect the interests of Northern constituencies, especially given her own roots in Gateshead and the similar backgrounds of fellow Cabinet members like Education Secretary Bridget Phillipson and Culture Secretary Lisa Nandy.

This situation reflects broader discontent within the Labour Party, which has faced challenges in uniting differing factions and prioritising its policy agenda. It was reported that both Phillipson and Nandy have been subject to unfavourable briefings from Downing Street, with allegations that they do not meet expectations for hard work. Such treatment has raised alarm bells among their supporters, who argue that it indicates a troubling trend of undermining Northern women in the Cabinet. An ally of Rayner remarked on her protective instincts over her fellow Northern Cabinet members, implying that their treatment has more to do with their geography and gender than their individual performances.

Rayner's advocacy takes place against a backdrop of a chaotic struggle over the UK’s spending review, where she is locked in contentious negotiations with the Treasury over funding allocations for services in struggling local councils and care systems. Described by insiders as a “chaotic bunfight,” these discussions are reportedly fraught with tension, particularly due to diverging views on welfare cuts and tax policies led by Chancellor Rachel Reeves. Rayner has been vocal about her belief that immediate, robust investments are necessary for long-term gains, a position that puts her at odds with ongoing austerity measures favoured by Treasury officials.

Her ongoing internal disputes within the Labour Party extend to differences in fiscal strategy. A leaked memo revealed Rayner's frustrations with a direction that leans towards cutbacks, contradicting her calls for increased taxes on the affluent to boost public spending. Her growing influence, along with pronounced criticism of the government's austerity measures, positions her as a potential figure in any future leadership contest within the party, especially if current leader Keir Starmer were to step down. This internal conflict not only reflects the ideological rifts within Labour but also underscores the pressing challenges of reconciling public expectations with financial limitations, a balance that has eluded the party since its move into opposition nearly a decade ago.

Moreover, fears linger among Rayner's allies regarding her diminishing influence and responsibilities within the Cabinet, as reports indicate that she may soon lose key elements of her portfolio to other members like Business Secretary Jonathan Reynolds. Such moves are seen as symptomatic of a larger issue within the government, often dubbed as having a "women problem," particularly if prominent female figures like Rayner and Nandy are sidelined. This sentiment of being 'frozen out' reflects wider concerns about gender representation and the recognition of Northern voices at the highest levels of British politics.

As the government nears a crucial announcement regarding departmental spending and budget allocations, Rayner’s actions and rhetoric will be pivotal in shaping perceptions of Labour’s commitment to its Northern base and its broader economic strategy. The stakes are high, both for her personal career trajectory and for the party's long-term viability as it seeks to establish itself as a credible alternative in British politics.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14746827/Angela-Rayners-salvo-Treasury-Downing-Street-Anti-Northern-bias.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[4]](https://www.telegraph.co.uk/politics/2024/07/13/labours-first-week-allies-fear-angela-rayner-frozen-out/)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14746827/Angela-Rayners-salvo-Treasury-Downing-Street-Anti-Northern-bias.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.ft.com/content/865d781b-2814-4854-ae7f-b3f486989653), [[5]](https://www.shropshirestar.com/news/uk-news/2024/07/08/who-is-in-sir-keir-starmers-government/)
* Paragraph 3 – [[2]](https://www.ft.com/content/865d781b-2814-4854-ae7f-b3f486989653), [[3]](https://www.ft.com/content/c714047c-267b-4415-af41-82ffd36be437), [[4]](https://www.telegraph.co.uk/politics/2024/07/13/labours-first-week-allies-fear-angela-rayner-frozen-out/)
* Paragraph 4 – [[3]](https://www.ft.com/content/c714047c-267b-4415-af41-82ffd36be437), [[4]](https://www.telegraph.co.uk/politics/2024/07/13/labours-first-week-allies-fear-angela-rayner-frozen-out/)
* Paragraph 5 – [[4]](https://www.telegraph.co.uk/politics/2024/07/13/labours-first-week-allies-fear-angela-rayner-frozen-out/), [[6]](https://hosted.ap.org/dailycourier/article/ac49e6549336203d96a0562b81ce54d5/whos-who-britains-new-labour-government-led-keir-starmer)
* Paragraph 6 – [[5]](https://www.shropshirestar.com/news/uk-news/2024/07/08/who-is-in-sir-keir-starmers-government/), [[6]](https://hosted.ap.org/dailycourier/article/ac49e6549336203d96a0562b81ce54d5/whos-who-britains-new-labour-government-led-keir-starmer)

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## Bibliography

1. <https://www.dailymail.co.uk/news/article-14746827/Angela-Rayners-salvo-Treasury-Downing-Street-Anti-Northern-bias.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.ft.com/content/865d781b-2814-4854-ae7f-b3f486989653> - Deputy Prime Minister Angela Rayner is engaged in a contentious struggle with the UK Treasury to secure funding for local services in the final phase of the government’s multiyear spending review. Multiple officials describe the process as disorganized and intense, dubbing it a 'chaotic bunfight,' though Treasury representatives refute this characterization, claiming several budgets, such as for the Ministry of Justice and transport, have already been settled. Rayner, alongside Home Secretary Yvette Cooper, is reportedly at odds with Chancellor Rachel Reeves, particularly over welfare cuts and tax proposals aimed at the wealthy. Rayner’s ministry is fiercely advocating for urgent funding to stabilize failing local councils and care services, arguing for upfront investments to yield long-term savings. The spending review, due for formal announcement on June 11, sets departmental spending until 2029 and capital budgets to 2030, with emphasis on the NHS, border security, and defense. Contentious negotiations continue with departments like the Home Office, energy, and environment. Fiscal restraint and broader spending cuts, paired with targeted capital investment and efficiency measures, remain central to Reeves’ approach, despite pressure from within the Labour Party to increase public funding.
3. <https://www.ft.com/content/c714047c-267b-4415-af41-82ffd36be437> - A leaked memo from Angela Rayner to Rachel Reeves before the Spring Statement reveals internal Labour Party divisions over fiscal strategy. Rayner advocated for raising taxes rather than cutting public spending, positioning herself as a leading alternative should Keir Starmer step down. Rachel Reeves, the Chancellor, is reportedly reconsidering the decision to means-test the winter fuel allowance due to public backlash. This reflects broader tensions within the Labour government as it grapples with difficult fiscal choices, including university funding cuts and welfare reductions, amid resistance to tax increases. The underlying issue is the government’s struggle to reconcile austerity measures with public expectations, a tension apparent since 2015. The political risk is heightened as any reversal on the winter fuel policy could lead to further demands to abandon other austerity measures. Meanwhile, Rayner’s stance suggests a contrasting vision focused on higher taxation and increased public spending, adding to speculation about future Labour leadership dynamics. The memo highlights a fundamental philosophical divide within the government’s approach to economic policy.
4. <https://www.telegraph.co.uk/politics/2024/07/13/labours-first-week-allies-fear-angela-rayner-frozen-out/> - Allies of Angela Rayner, the Deputy Prime Minister and Housing Secretary, fear she is being 'frozen out' and believe she is already being unfairly stripped of responsibilities. Rayner, directly elected by Labour members as Deputy PM and therefore unsackable, has already been identified as the biggest potential threat to Sir Keir’s authority. Friends of Ms Rayner are growing concerned that her authority is being gradually and subtly undermined. While in opposition, she had been leading one of Labour’s flagship policies, the new deal for working people, which promises to boost wages and give workers more rights. But it is now Jonathan Reynolds, the Business Secretary, whose department will take the lead. According to party insiders, there is now growing speculation that Ms Rayner is also set to have the planning brief taken away from her after Rachel Reeves made it the focus of her first major speech as Chancellor. Friends of Ms Rayner are urging her to 'get out there' more and take ownership of her brief.
5. <https://www.shropshirestar.com/news/uk-news/2024/07/08/who-is-in-sir-keir-starmers-government/> - Downing Street has announced a series of ministers who will form Sir Keir Starmer’s administration. The Cabinet includes Prime Minister Sir Keir Starmer, Deputy Prime Minister and Levelling Up, Housing and Communities Secretary Angela Rayner, Chancellor of the Exchequer Rachel Reeves, Home Secretary Yvette Cooper, Foreign Secretary David Lammy, Defence Secretary John Healey, Justice Secretary Shabana Mahmood, Science Secretary Peter Kyle, Health Secretary Wes Streeting, Environment Secretary Steve Reed, Chancellor of the Duchy of Lancaster Pat McFadden, Commons Leader Lucy Powell, Lords Leader Baroness Smith of Basildon, Business Secretary Jonathan Reynolds, Energy Secretary Ed Miliband, Work and Pensions Secretary Liz Kendall, Education Secretary and Minister for Women and Equalities Bridget Phillipson, Transport Secretary Louise Haigh, Culture Secretary Lisa Nandy, Northern Ireland Secretary Hilary Benn, Scottish Secretary Ian Murray, Welsh Secretary Jo Stevens, Chief Whip Sir Alan Campbell, Treasury Chief Secretary Darren Jones, Paymaster General and Minister for the Cabinet Office Nick Thomas-Symonds, and Attorney General Lord Richard Hermer. Departmental ministers with confirmed portfolios include Ellie Reeves in the Cabinet Office, Lord Livermore as financial secretary in the Treasury, and others across various departments.
6. <https://hosted.ap.org/dailycourier/article/ac49e6549336203d96a0562b81ce54d5/whos-who-britains-new-labour-government-led-keir-starmer> - Labour has spent 14 years in opposition, so few have held government office before. Here’s who is in the new government: Prime Minister: Keir Starmer; Deputy Prime Minister and Levelling Up Secretary: Angela Rayner; Chancellor of the Exchequer (Finance Minister): Rachel Reeves; Chancellor of the Duchy of Lancaster (a senior minister with broad responsibilities): Pat McFadden; Foreign Secretary: David Lammy; Home Secretary: Yvette Cooper; Defense Secretary: John Healey; Justice Secretary: Shabana Mahmood; Health Secretary: Wes Streeting; Education Secretary: Bridget Phillipson; Energy Security and Net Zero Secretary: Ed Miliband; Work and Pensions Secretary: Liz Kendall; Business and Trade Secretary Jonathan Reynolds; Science, Innovation and Technology Secretary: Peter Kyle; Transport Secretary: Louise Haigh; Environment, Food and Rural Affairs Secretary: Steve Reed; Culture, Media and Sport Secretary: Lisa Nandy; Northern Ireland Secretary: Hilary Benn; Scottish Secretary: Ian Murray; Welsh Secretary: Jo Stevens; Leader of the House of Commons: Lucy Powell; Leader of the House of Lords: Angela Smith; Chief Whip: Alan Campbell; Chief Secretary to the Treasury: Darren Jones; Attorney General: Richard Hermer. More junior appointments include Science Minister Patrick Vallance, who was the government’s chief scientific officer during the COVID-19 pandemic, and Prisons Minister James Timpson, a businessman whose chain of key-cutting and shoe-repair businesses works with ex-offenders.
7. <https://en.wikipedia.org/wiki/Angela_Rayner> - Angela Rayner is a British Labour Party politician who has served as Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government since 2024. Born in Stockport, Greater Manchester, she left school at 16 and later trained in social care. Rayner worked as a care worker and became a trade union representative within UNISON, during which time she joined the Labour Party. She was elected as the Member of Parliament for Ashton-under-Lyne in 2015 and held several Shadow Cabinet positions under Jeremy Corbyn. In 2020, she was elected Deputy Leader of the Labour Party and appointed to the Privy Council in 2021. Following Labour's victory in the 2024 general election, Rayner entered government and was appointed Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government by Keir Starmer. Her strong support base and potential as a future leader led to the New Statesman ranking her as the eighth most powerful person in British left-wing politics for 2023. The Spectator named her Politician of the Year at its annual Parliamentarian of the Year awards ceremony in 2024.