



Independent Adviser on Ministerial Standards
Sir Laurie Magnus CBE

5 September 2025

Dear Prime Minister,

Following a self-referral by The Rt Hon Angela Rayner MP, Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government on 3 September 2025, I have undertaken an examination of the circumstances and facts connected to recent allegations about Ms Rayner's property ownership and tax affairs.

I should acknowledge that Ms Rayner has provided her full and open cooperation in assisting me with my inquiries. Her decision to provide greater public transparency by applying to remove the confidentiality undertaking in a court order protecting her family's domestic financial circumstances was, in particular, clearly very difficult to reconcile with her understandable wish to shield members of her family from the glare of media attention. It is a sad reflection of the almost intolerable pressures that can face prominent politicians in protecting the privacy of their families, not least, as Ms Rayner highlighted in her statement on 3 September, *"the reality that family life is rarely straightforward, particularly when dealing with disability, divorce and the complexities of ensuring your children's long term security"*.

Ms Rayner has explained publicly that, following recent allegations and speculation, and in order to assure herself of compliance with her obligations, she sought legal advice from leading tax Counsel. This covered her personal position in relation to council tax, stamp duty land tax, capital gains tax and inheritance tax. I have had access to this written opinion and, as a result of its conclusions, have focused my inquiries - and this advice - on the issues relating to Ms Rayner's acknowledged failure to pay the correct amount of stamp duty land tax (SDLT) on the purchase of a property in Hove, Sussex, in May 2025. It is the realisation of this error that prompted Ms Rayner, shortly after having received the final tax law advice, to refer the matter to me on Wednesday 3 September.

Ms Rayner has set out in detail, publicly, the details of her family's domestic arrangements and her decision to sell her 25% interest in the freehold of the family home in Ashton-under-Lyne and to purchase a property in Hove. I do not need to repeat these details here, other than to note that they inevitably entailed a considerable degree of complexity.

Having sold her 25% share in the family home in Ashton-under-Lyne, Ms Rayner ceased to own any part of that property. However, under the relevant legislation, a person who does not own a property can nonetheless be deemed to hold an interest in it if certain circumstances apply; these include where that property is held by a trust, and the beneficiary of the trust is a child of that person under the age of 18. I understand there are additional complexities, for example concerning the particular type of trust in question and the reason for which the trust was established. Taken together, it appears that - particularly in the context of the specialist type of trust in question - the interpretation of these rules is complex.

With Ms Rayner's full cooperation and assistance, I have reviewed relevant documentation from the property transaction. This has included the advice she received at the time from the legal firms involved and the associated documentation that was prepared for her to effect the purchase. This advice gave rise to Ms Rayner's understanding - which I consider to have been held in good faith - that the lower rate of SDLT was applicable when purchasing the property in Hove.

It is not necessary for me to detail the specific contents of this advice or the associated documentation but, having reviewed it, I would draw four conclusions:

- a) Ms Rayner was open about the existence of the Trust and considered that, between them, the firms advising her had appropriate knowledge and awareness of the details and circumstances of the Trust;
- b) on the basis of the advice she received, Ms Rayner believed that the lower rate of SDLT would be applicable; indeed she was twice informed in writing that this was the case; but
- c) in those two instances, that advice was qualified by the acknowledgement that it did not constitute expert tax advice and was accompanied by a suggestion, or in one case a recommendation, that specific tax advice be obtained; and
- d) if such expert tax advice had been received, as it later was, it would likely have advised her that a higher rate of SDLT was payable.

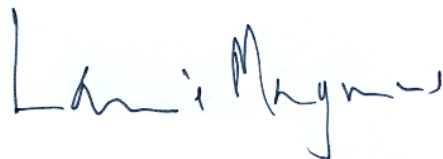
The Ministerial Code sets out the high standards that, as Prime Minister, you expect all ministers to follow. It enshrines the commitment to uphold the Seven Principles of Public Life, and details *"the overarching duty on Ministers to comply with the law and to protect the integrity of public life"*. The Code begins at 1.2 by stating that *"Ministers are expected to embody the principles of public service and to set a positive example as they govern in the national interest. Ministers should recognise that, as office-holders, they are held to the highest possible standards of proper conduct, and ensure that they are living up to those standards in their words and actions"*.

Ms Rayner deeply regrets the mistake she has made in relation to the underpayment of SDLT for the purchase of her property in Hove. On realisation of this error, she has sought quickly to correct the mistake and to refer herself to HMRC in order to ensure that she pays the correct amount. I have no doubt that she has been motivated in the management of her property and financial arrangements by a desire to act in the best interests of her children, and with the intention to pay all appropriate taxes and fulfil all her legal obligations.

It is highly unfortunate, however, that Ms Rayner failed to pay the correct rate of SDLT on this purchase, particularly given her status and responsibilities as the Secretary of State for Housing, Communities and Local Government and as Deputy Prime Minister. She believed that she relied on the legal advice she had received, but unfortunately did not heed the caution contained within it, which acknowledged that it did not constitute expert tax advice and which suggested that expert advice be sought. I am conscious of the acute challenges Ministers face - perhaps uniquely - in managing the demands of their personal lives and their public responsibilities. However, the responsibility of any taxpayer for reporting their tax returns and settling their liabilities rests ultimately on themselves alone. Given the conjunction of the acknowledged complexity of her family circumstances, her position in Government (most importantly as Deputy Prime Minister) and the consequences of getting such a calculation wrong, it is deeply regrettable that the specific tax advice was not sought.

I believe Ms Rayner has acted with integrity and with a dedicated and exemplary commitment to public service. I consider, however, that her unfortunate failure to settle her SDLT liability at the correct level, coupled with the fact that this was established only following intensive public scrutiny, leads me to advise you that, in relation to this matter, she cannot be considered to have met the *"highest possible standards of proper conduct"* as envisaged by the Code. Accordingly, it is with deep regret that I must advise you that in these circumstances, I consider the Code to have been breached.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Laurie Magnus', with a stylized, cursive script.

Sir Laurie Magnus CBE
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