

# General Election Briefing



# A LANDSLIDE WIN FOR LABOUR: WHAT DOES IT MEAN FOR BUSINESS?

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Senior Partner



Whatever the subsequent debate about electoral turnout and the precise reason for the Conservatives dramatic defeat, under our first past the post voting system Labour has won a landslide. And at 412 seats (at the time of writing), a historical mandate!

Whilst other parties have also made gains – notably a landmark resurgence for the Liberal Democrats and new seats secured for Farage’s Reform Party – the scale of the Labour win means that Keir Starmer enters No10 with a huge electoral mandate, the ability to dominate the next Parliament and the chance to enact his programme for government with limited opposition.

This gives Keir Starmer and Rachel Reeves a clear path to pursue Labour’s plan for growth on boosting investment into the UK, promoting innovation, and using the transition to Net Zero as an opportunity to create good jobs in every part of the country.

This will not be straightforward given the UK’s current fiscal position, sluggish economic growth and Labour’s ambitions to undertake difficult policy reforms in areas like planning. However, to start at least they will not have to worry about any ‘blockers’ in Parliament, and Keir Starmer will have 100s of new loyal MPs who will be grateful to him for their political elevation.

So now election night is over, and the drama of an unprecedented election with many political stories, what does this mean for business?

There will now be a flurry of activity over the next few weeks, which will keep business, and those of us who work in public affairs, busy until recess at the end of July or early August.

Over the next 24 hours Keir Starmer will appoint his Cabinet. Don’t expect much change from Opposition, which will provide consistency of leadership in key sectors of the economy. Working level ministers will be appointed early next week.

The set piece moment will be the King’s Speech on Wednesday 17th July when Labour will outline its legislative programme for this Parliamentary term, plus a blizzard of consultations and reviews that businesses will need to track and engage with.

We can expect early big policy announcements and initiatives on the NHS, house building, GB Energy, investment into the UK, and Angela Rayner’s ‘New Deal for Working People’. However, there is now an opportunity for business to add granular detail to policy formulation and implementation of what until the early hours of this morning were only words in Labour’s manifesto.

In the days and weeks ahead, I suggest six guiding principles to business engagement with this Labour government:

1. An obvious point, but often overlooked, is how does your businesses agenda fit into what the government will need to achieve politically after convincing millions of people to vote for them – growth is Labour’s number one mission and is central to the success of Keir Starmer’s political project.
2. Whilst you may have been able to easily access Shadow Ministers and advisers when Labour was in Opposition, the apparatus of government makes this more difficult. Set expectations internally accordingly and ensure that you are engaging with the officials driving forward policy in your patch!
3. With over 300 new MPs, businesses need to take time to get to know these new faces and their backgrounds. They will populate the Parliamentary select committees and groups which hold government to account, and many of them will also be future ministers and leaders!

4. Many of the unprecedented results in this election were driven by local issues. The old cliché that ‘all politics is local’ holds more relevance now than ever, so understanding the constituency dynamic is key to getting cut through with new MPs.
5. Whisper it quietly, but if you did not take a detailed read of the Liberal Democrat manifesto now is probably a good time to do so. With seventy-one seats they are back as a credible force in Parliament.
6. With the excitement of a change in government and changing structures in Whitehall, remember the wider ecosystem. In the post-Brexit landscape, UK regulators hold significant powers that impact the operation of business and under a Labour government consumer groups and unions will be influential in policy formulation.

Labour has been clear that business is central to delivering on its agenda. The door is therefore open for ideas and solutions which help them achieve their plan for growth.

Now is the moment to lean in!

To explore today’s election result, how it will shape Keir Starmer’s government and the new Parliament, and what this means for business - email [contact@wacomms.co.uk](mailto:contact@wacomms.co.uk).

# THE ELECTORAL BATTLEGROUND

## THE BATTLE FOR SCOTLAND: LABOUR VS THE SNP

### What type of seats?

While the SNP has maintained a stronghold across Scotland over the past decade, going into this election around 30 seats were considered competitive between Labour and the SNP, particularly in the 'central belt' area around Glasgow and Edinburgh.

### What happened?

Labour have stormed to victory, overtaking the SNP as the largest party in the region by securing 37 seats compared to the SNP's nine, going way beyond even the highest expectations.

The SNP had their worst performance in over a decade, dropping dozens of seats from the 48 they won in 2019. Labour swept across Glasgow, Edinburgh and the central belt but also won more rural seats such as Stirling and across Ayrshire.

### Which seats switched?

37 seats across Scotland including urban seats like Glasgow South, classic central belt towns like Falkirk and Livingston, and more rural seats like North Ayrshire and Arran.

### New MPs to watch?

Former Cabinet Minister Douglas Alexander (Lothian East) and ex-Labour SpAds Blair McDougall (East Renfrewshire) and Kirsty McNeill (Midlothian) are three to watch.

### What does this mean for the direction of the government?

In the immediate term, the Labour landslide in Scotland will mean there will be a very powerful block of Scottish Labour MPs in Westminster.

Looking forward, there is potential for their victory to continue into the 2026 Holyrood election campaign - with the party mounting a serious opposition for the first time in more than a decade. This is unlikely to lead to specific policy shifts in the short term, but over time if they want to succeed they will need to show they have delivered for Scotland.

## APPROACHING FROM THE LEFT: LABOUR VS THE GREEN PARTY AND INDEPENDENTS

### What type of seats?

Going into the election there was a sense that the Labour Party was facing a greater challenge from its left-flank than it had in the recent past. Two types of urban seat were at risk: more 'liberal' cities like Bristol from the Greens, and areas with higher than average ethnic minority populations.

### What happened?

Despite Labour's landslide win, the party lost several seats and had their majorities slashed in the face of two threats from the left: the Green Party and pro-Palestinian independent candidates.

The Greens have quadrupled their representation in the Commons after the party took three new seats and held their existing Brighton Pavilion constituency. They also came a solid second with over 20% of the vote in seats across Sheffield, Manchester and Bristol.

Labour also lost four seats to pro-Palestinian independent candidates due to protest votes over the party's stance on the conflict in Gaza. Most prominently, Labour frontbencher Jonathan Ashworth was unseated by independent Shockat Adam in Leicester South. Separately, Shadow Health Secretary Wes Streeting came within 528 votes of losing his seat.

### Which seats switched?

Bristol Central turned to the Green Party while Leicester South, Islington North, Birmingham Perry Barr, Dewsbury and Batley, and Blackburn all switched to Independents.

### New MPs to watch?

Expect Sian Berry (Brighton Pavilion) and Carla Denyer (Bristol Central) to pick up where Caroline Lucas left off when it comes to climate leadership. Amongst the Independents – united with a common focus on Gaza – the extent to which they will work together is not currently clear.

### What does this mean for the direction of the government?

The success of these two groups demonstrate the incoming Labour government will face a squeeze from the left wing of the electorate, with further risks on the horizon unless the government is mindful of this.

The Greens say they will push the Labour party for stronger climate policies and investment in public services. Separately, the rise of Pro-Palestine independents presents a significant challenge for Labour's future foreign policy. Don't expect an immediate u-turn on policy, but the backbenchers at risk will be extremely vocal on these issues.

## CLASSIC SWING SEATS: LABOUR VS THE CONSERVATIVES

### What type of seats?

These are critical bellwether constituencies, often seen as microcosms of the national political climate, that must be won to make it to No10. Typically located in 'Middle-England' – places like Swindon or Nuneaton – these areas swing between the Conservatives and Labour.

### What happened?

These seats comprehensively switched. Almost all the UK's longest-running "bellwether" seats have been won by Labour. Loughborough, Northampton North, Portsmouth North and Watford have all kept their bellwether status at this election, with large swings seen to Labour.

### Which seats switched?

Amongst others Nuneaton, the two Swindon seats, Peterborough and the north Kent seats like Dartford.

### New MPs to watch?

For rising stars in this group of seats keep an eye on Heidi Alexander (former Shadow Health Secretary and Deputy Mayor of London) in Swindon South and Chris Curtis in Milton Keynes North.

### What does this mean for the direction of the government?

This is core Middle England. They'll want to see big things from the new government: firstly a sense of competence and higher standards in government; and secondly a substantial improvement in the quality of public services without a massive increase in the tax burden they face.

## THE RETURN OF THE RED WALL: LABOUR VS THE CONSERVATIVES

### What type of seats?

These traditionally Labour strongholds, often called the “Red Wall,” form a band from Greater Manchester and Liverpool in the North West across to County Durham and Teesside in the North East. Characterised by a strong support for Brexit, these areas showed significant Conservative gains at the last two General Elections on the back of a promise to “level-up”.

### What happened?

Labour has rebuilt in the “Red Wall”, winning 34 out of the 35 eligible seats, capturing 41.5% of the vote in the North East and making gains across the Midlands. This is nearly double the Conservatives’ 23%. Arguably the most significant return was Labour’s early win in Hartlepool. Reform came a strong second in a whole sweep of Red Wall seats.

### Which seats switched?

Bishop Auckland, Newton Aycliffe and Spennymoor, Darlington and Hartlepool all moved back into the red column.

### New MPs to watch?

Former MPs Anna Turley in Redcar and Melanie Onn in Great Grimsby are likely to be in ministerial roles in the future.

### What does this mean for the direction of the government?

Ultimately, voters in these seats want the same as many others: improved public services and a stronger economy. The new government will be keen to get on the front foot and show that they are genuinely improving the standard of living in these communities. Net zero investment – and the role that GB Energy will play in driving this – will be important to enable this regional economic growth.

## THE BLUE WALL: LIB DEM AND LABOUR VS CONSERVATIVES

### What type of seats?

Historically Conservative-held seats in Southern England and commuter belt areas around London with a Remain-minded, often more affluent population. These constituencies are most vulnerable to Liberal Democrat challengers, but there were also 'Blue Wall' seats which Labour won.

### What happened?

Following a historic night for the party, the Lib Dems will be returning to parliament with a record-breaking 71 seats. A super focused election campaign and a single-minded anti-Conservative message allowed the party to significantly step up their House of Commons presence.

At the same time Labour won their own raft of seats across the 'Blue Wall' in towns across the South East that had traditionally been Conservative-held.

### Which seats switched?

Tunbridge Wells, Wokingham, Surrey Heath, Cheltenham, and Winchester to the Lib Dems; Banbury, Basingstoke and Buckingham to Labour.

### What does this mean for the direction of the government?

On a practical level, the Lib Dems will have more resources and representatives to form an influential opposition force. Expect them to challenge from both the left and the right on different issues. Housing policy and planning reform is an area where we may see them apply 'NIMBY-ism' pressure on Labour given their gains in traditional suburban rural Blue Wall seats.

Labour backbench MPs in these areas will be posing their own challenge around protecting the local environment.

### New MPs watch?

Calum Miller in Bicester and Woodstock, Josh Babarinde in Eastbourne and Jess Brown-Fuller in Chichester are future stars to watch.



## APOCALYPSE NOW: CONSERVATIVE VS LABOUR AND REFORM

### What type of seats?

These are Conservative heartland seats made up of a large proportion of traditional, often Leave voters. Overwhelmingly rural with a high proportion of them across East Anglia and down the East Coast, they have almost always been held by the Conservatives.

### What happened?

At 10pm the exit polls projected Reform to win as many as 13 seats, largely in these areas. It came to fruition in a number of places - Clacton, Great Yarmouth, Boston and Skegness – although arguably the Conservative Party avoided a total wipeout.

At the same time, a high Reform vote meant that Labour secured a number of really traditional Conservative seats: Bury St Edmunds and Stowmarket, Suffolk Coastal and Liz Truss' South West Norfolk for example.

### Which seats switched?

Clacton, Great Yarmouth, Boston and Skegness to Reform; South Norfolk, North East Hertfordshire and Suffolk Coastal to Labour.

### New MPs to watch?

Nigel Farage and Richard Tice for Reform; and Jenny Riddell Carpenter for Labour.

### What does this mean for the direction of the government?

We will likely see the high number of Labour MPs across East Anglia put some pressure on the new government over their planning reforms and new energy infrastructure, but don't expect this to deter Starmer's quest for growth. Labour will be mindful of the Reform threat (sticking to their plans on immigration in particular) but equally won't want to be seen to overreact.

# A HISTORIC RESULT – BUT A VOLATILE ELECTORATE CREATES PRESSURES FOR BOTH LABOUR AND THE CONSERVATIVES

## JENNIFER GERBER

Senior Political Advisor and former Labour Special Advisor



### What a night...

It's fair to say no one was surprised to see Labour win - and win big – accompanied by a Tory unravelling, demonstrated by big beasts such as Penny Mordaunt, Liz Truss and Jacob Rees-Mogg losing their seats.

Many new Labour MPs, delighted as they are to have won, have shallow majorities that they'll have to work hard to maintain. The new MPs also represent a diverse geographical and demographic coalition which will pose challenges for the party and its management of the Parliamentary Labour Party. Clearly though, these are good problems to have for Labour after 14 years in opposition – many in the party really didn't think this day would happen and it's credit to Keir, who is more than just a lucky general.

Businesses will need to ensure that Labour remains faithful to its promises about prioritising growth and investment as the key priority for the coming years. There will be pressures from the broader left coalition to dilute the charge for wealth creation, or focus on other areas, and indeed party management will be a significant distraction for 'no drama Starmer'. The Labour leadership will need its new friends in the corporate world to help them keep up the momentum for economic growth.

This work tackling the mother of all in-trays starts immediately, but today the party basks in the warm glow of victory.

## SIR PHILIP RUTNAM

Chair of WA's Advisory Board and former Whitehall Permanent Secretary



### Three things stand out for me from this Election.

First, this is not 1997. While Labour's majority today is similar to Blair's, it is built on quite different foundations. Starmer has done a brilliant job in making the Labour Party electable again but the biggest driver behind the result last night was the collapse of the coalition that is the modern Conservative Party, under intense pressure on the right from Reform and on the left from the Lib Dems as much as Labour. In 1997 Labour took 43% of the vote and 418 seats; yesterday Labour secured broadly the same number with just 34% of the vote.

Second, the Lib Dems have been undervalued, again. The sudden prominence of Reform and the damage they have done to the Conservatives has captured the media attention – but with 71 seats the Lib Dems were actually much more effective. The fact that the Tories now face such serious threats on both sides highlights the huge challenge that now faces them: do they go more to the right to recover Reform voters, maybe even taking Farage into the party, or do they fight the Lib Dems and Labour for the centre ground?

Third, Labour is going to be well aware that there is an underlying fragility to their success. They know the electorate is more volatile, less wedded to traditional parties that are broad coalitions, more willing to mobilise around causes (the climate, Gaza, immigration). Today it is the oldest coalition of all, the Tories, that are suffering as a result. But in five years' time it could be Labour. Expect Labour to feel under intense pressure to deliver as a result.

What does any of this mean for business? It means being ready even sooner than I had thought to engage on the key themes that matter for holding Labour's coalition together: getting the economy to grow and restoring public services, and doing all these things at zero or minimum cost. Delivering on these things is Labour's best chance. And remember time is almost certainly shorter than anyone thinks: real Government is dominated by events at least as much as choices. And maybe spend some time with the LibDems.

**STEVE RICHARDS**

Senior Adviser, broadcaster and journalist



**The political landscape is transformed. Slaughtered in 2019, Labour has won a landslide.**

Keir Starmer will be the most powerful Prime Minister since Tony Blair in the aftermath of 1997. But while he will be able to do what he wants with such a big Commons majority this strange election result brings unexpected constraints.

Reform is now in second place in many Labour seats as well as Conservative ones. The sudden prominence of Reform is Britain's equivalent of the rise of the populist right in Europe, suppressed here by a voting system that punishes the smaller parties in terms of seats (securing just 4 MPs with 14% of the vote: that's just one MP for every 1 million votes – expect a Damascene conversion to electoral reform on the far right). Meanwhile the Conservative Party suffered its biggest defeat since 1832.

In Scotland a hugely significant drama was played out. Labour is the dominant force once more in terms of Westminster seats. The SNP is in a deeper crisis than it was already after the departure of Nicola Sturgeon. The route to independence is blocked and the union is stronger than it has been for decades.

The Liberal Democrats are back as a political force after the electoral traumas that followed their involvement in the coalition government.

But politics is volatile. Labour won its landslide with a lower percentage of the vote share than Jeremy Corbyn secured in 2017. Reform becomes an unpredictable wild card that will play its part in Keir Starmer's calculations in the coming months. Starmer plans to engage with European leaders as part of a tentative attempt to improve on Boris Johnson's Brexit deal. He may be even more cautious with Farage breathing down his neck in the Commons and with Reform in second place in so many seats.

Nonetheless Keir Starmer plans to move fast, conscious of the need to convey a sense of momentum and purpose: Starmer will be heading for the NATO summit in Washington early next week, and Ministers will be preparing bills to be included in the King's Speech to be delivered on July 17th.

Rachel Reeves will not hold an emergency budget but her profile will be high, introducing legislation this month that will extend the power of the Office for Budget Responsibility. Like Gordon Brown, Chancellor after the 1997 landslide, in these early weeks Reeves will seek to convey prudence and stability, reassuring markets and the media. There will be an immediate focus on the importance of private investment and working with the private sector whether it's in relation to a turbocharged housebuilding programme or to realise Starmer's ambitions for climate change.

Meanwhile a bewildered Conservative Party will begin another leadership contest, its fifth since 2016.

# THE FIRST 100 DAYS OF THE NEW GOVERNMENT

From Cabinet announcements, the King's Speech and Select Committee appointments – our timeline sets out some of the key moments to be aware of between now and September.



**4 JULY**  
**General Election**

**5 JULY**

**Cabinet announcements**

New ministers will start to meet with senior civil servants from across each department to set out their priorities. SpAd appointments will also be made including key Downing Street roles such as the Prime Minister's Director of Communications.

**6 JULY**

**First full Cabinet meeting expected**

**9 JULY**

**Parliament's first sitting post-General Election**

Some parliamentary business can begin, for example the Government could begin to introduce some bills if it wished, oral questions can begin, and secondary legislation can be considered. Potential early legislation on OBR powers.

**EARLY SEPTEMBER**

**Parliament returns from recess**

Parliament is likely to return earlier than currently scheduled – potentially on Monday 2nd September.

**LATE JULY/  
EARLY AUGUST**

**Parliamentary recess begins**

Parliament is likely to break for recess later than the currently scheduled 23rd July.

**18 JULY**

**European Political Community Summit**

PM will host major EU leaders including Emmanuel Macron and Olaf Scholz at Blenheim Palace, Oxfordshire.

**17 JULY**

**State opening of Parliament and King's Speech for new Parliamentary session**

Sets out the government's key priorities, and their likely sequencing. Debate on the King's Speech will take place in the days after with specific days focusing on themes chosen by the Opposition.

**9-11 JULY**

**NATO Summit**

Where new PM will stand alongside Biden and other world leaders in Washington.

**22-25 SEPTEMBER**

**Labour Party Conference**

**MID-SEPTEMBER**

**First Budget expected for a Labour Government**

**EARLY SEPTEMBER**

**Select Committees fully formed**

Select Committees will start to be formed fully at this point, with Chairs elected by MPs. Committees announcing their initial inquiries, from September, will offer one of the first opportunities for targeted engagement.

**29 SEPTEMBER –  
2 OCTOBER**

**Conservative Party Conference**

**OCTOBER/NOVEMBER**

**Comprehensive Spending Review**

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